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Forbes

THE RIGHT MUTUAL FUNDS FOR THE NEXT 12 MONTHS AND BEYOND

THE FORBES HONOR ROLL
THE MOST EFFICIENT FUNDS
THE BEST MUNICIPAL BOND FUNDS
TAX TIPS FOR FUND BUYERS
GUIDE TO INTERNATIONAL FUNDS



74820 083

**SEPTEMBER 7, 1987
VOLUME 140
NUMBER 5**



Forbes



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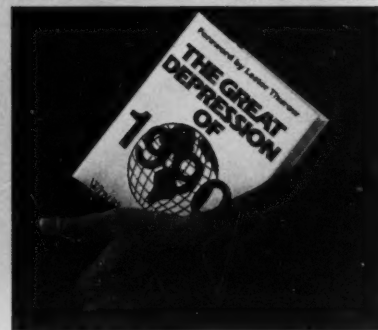
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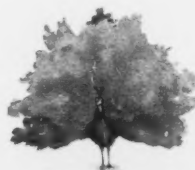
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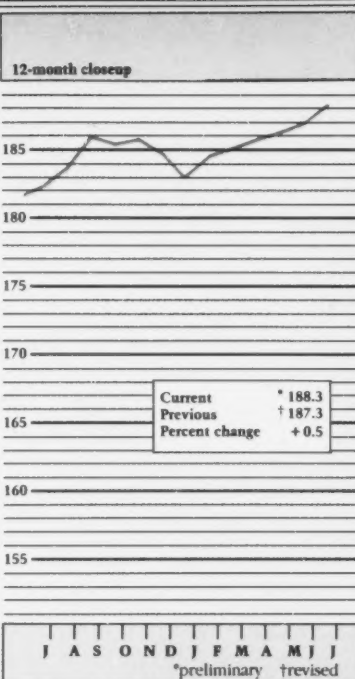
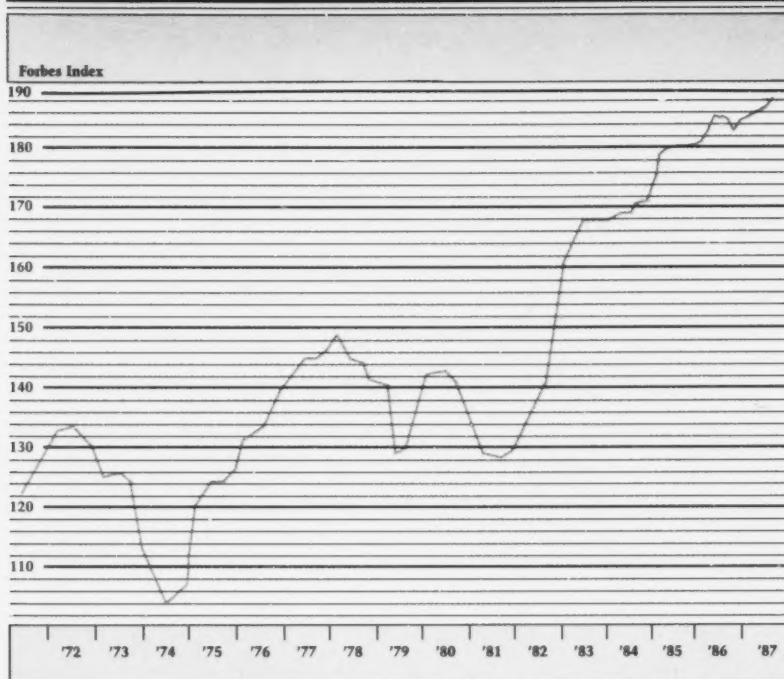
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September 7, 1987 Volume 140 Number 5 Forbes (ISSN 0015 6914) is published biweekly except weekly during two weeks in April and two weeks in October, by Forbes Inc., 60 Fifth Ave., New York, N.Y. 10011. Second-class postage paid at New York, N.Y. and at additional mailing offices. Subscription \$45 a year, U.S.A. Postmaster: Send address changes to Forbes, 60 Fifth Ave., New York, N.Y. 10011. Copyright © 1987 Forbes Inc. Title is protected through a trademark registration in the U.S. Patent Office. Forbes does not supply back issues or copies of individual articles. Requests for permission to reprint should be sent to the Permissions and Reprints Department at Forbes. Forbes is indexed in major periodicals indexes and can be located in bound copy or microform in major libraries. The full text is available electronically on major database systems.

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The Forbes Index



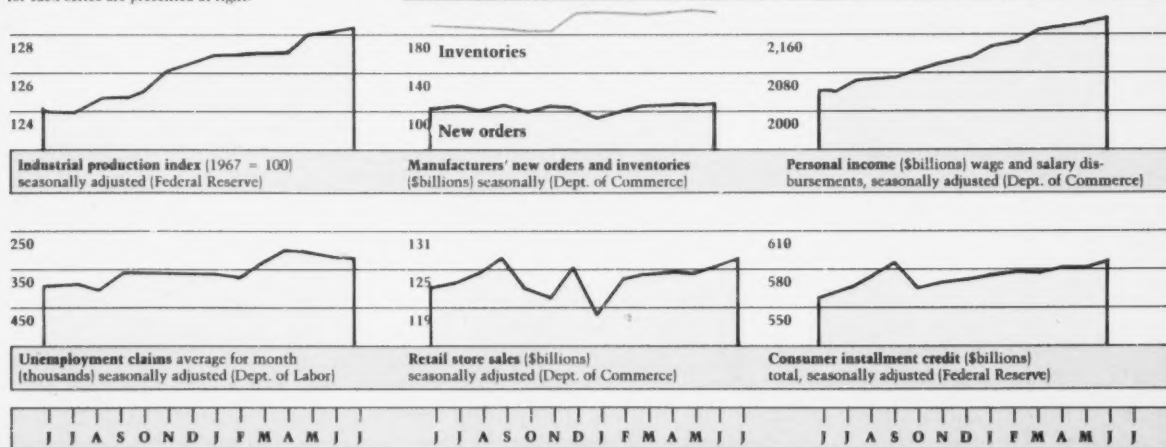
Clouds on the horizon. The economy continues to grow at a modest pace but not without problems. Industrial production rose 0.8% in July, which brings it to a level 3.9% higher than it was one year ago. Retail sales are up 0.8% from the previous month. Latest figures (June) show a 0.6% rise in consumer installment credit over the previ-

ous month. A 0.4% jump in new unemployment claims in July represents the third consecutive increase for this component. Meanwhile, rising prices for oil imports and consumers' willingness to purchase imported goods, despite prices made higher by a weaker dollar, helped bring about a near-record trade deficit of \$15.7 billion in June.

The Forbes Index Components

The Forbes Index is a measure of U.S. economic activity composed of eight equally weighted elements: Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, the level of new orders for durable goods compared with manufacturers' inventories, total retail sales, new housing starts, personal income, total consumer installment credit.

To measure these eight elements, FORBES monitors ten series of U.S. government data. The last 14 months' data for each series are presented at right.



Taxing Matters

Edited by Laura Saunders

States are lowering personal income tax rates, but beware. Often there's less to the reductions than meets the eye.

Bait and tax

By Janet Novack

QUICK: NAME THE STATE with the highest individual income tax rate for 1988. New York? That's ancient history. Minnesota? Not any more.

Try Iowa, with a 13% rate on a joint return's taxable income above \$76,725.

States have been scrambling to shuffle their tax codes in the wake of last fall's federal tax overhaul. Many are jockeying to keep themselves off the infamous lists of states with the highest rates. But this process has not

been an unqualified boon to upper-income taxpayers. In some states, reductions in rates have been coupled with changes in the definition of taxable income that leave state income taxes more progressive than before.

In some states, rates on so-called unearned income—interest, dividends and capital gains—are much higher than the more widely cited rates on earned income. The table below shows the highest rates that hit unearned income. With the top federal rate coming down from 50% to 33%, the effective cost of state taxes

is higher (since the federal deduction for state taxes will be worth less). Investors in high-tax states have to be more careful than before to buy in-state municipal bonds rather than out-of-state ones, and to save via Treasury securities rather than bank accounts. Interest on in-state munis in most states (Iowa is an exception) and on Treasury paper (in all states) remains exempt from state tax.

Following the federal pattern, 11 states and the District of Columbia have already cut their top rates on unearned income. In 1986, 10 states had rates above 10%; in 1988, under current law, only 4 will.

But beware. In some cases, there's far less to the slashing than meets the eye. While New York did give its overtaxed residents a \$4.5 billion break (to be phased in by 1990), several other states have lowered the tax rate but not the bite.

That's because most states piggy-back their tax systems onto federal definitions of income. So, like Uncle Sam, they now have a broader tax base to draw on. If the states hadn't lowered rates they would have received a \$6.3 billion windfall from federal tax reform. As it is, they're planning to keep about \$1.2 billion of it.

Most of the 1987 state reforms will in fact make state tax systems more progressive, meaning the affluent will pay more. Oregon lowered its top marginal rate on both salary and portfolio income from 10% to 9%. But taxpayers with adjusted gross incomes over \$200,000 will pay an aver-

The top tax rates

Following Uncle Sam's lead last fall, many states have changed their personal income tax formulas. Here are the ten states with the

highest marginal rates on unearned income in 1986 and—according to laws now on the books—expected in 1988.

1986 State	Top marginal rate	Effective at (for joint return)	1988 State	Top marginal rate	Effective at (for joint return)
Minnesota	14%	\$32,000 ¹	Iowa	13%	\$76,725 ²
New York	13.5	26,000 ³	Montana	12.1	48,100 ⁴
Vermont	13.25	175,250 ⁵	Connecticut	12	100,000 ⁶
West Virginia	13	120,000	California	11	59,660 ⁴
Iowa	13	76,725 ²	Hawaii	10	40,400
Connecticut	12	100,000 ⁶	Maine	10	50,000
Washington, D.C.	11	25,000	Massachusetts	10	flat rate ⁷
California	11	57,580	Washington, D.C.	9.5	20,000 ⁸
Hawaii	11	61,000	Oregon	9	10,000
Montana	11	46,400	Kansas	9	50,000

¹Minnesota's 14% rate applied only to taxpayers who deducted their federal taxes from income; otherwise the top rate was 9.9%. ²Iowa allows federal income taxes to be deducted. ³The maximum rate on earned income in New York was 9.5%. ⁴Montana's rate reflects a temporary 10% surcharge. The \$48,100 threshold for Montana and the \$59,660 threshold for California are for 1987 and will be adjusted upward in 1988 to reflect inflation. ⁵State tax was 26.5% of federal income tax liability. Highest state marginal rate was found by multiplying that percentage by 50%, which was the highest federal rate in 1986. ⁶Connecticut does not tax earned income, only dividends, interest and capital gains. However, the \$100,000 threshold is based on federal AGI. ⁷Rate is for unearned income. Earned income is taxed at 5%. ⁸Rate has been approved by the city and is under congressional review.

age 16% more in 1988, those in the \$100,000-to-\$200,000 range, 8% more. One notable exception to this trend is West Virginia, where a cut in the top rate from 13% to 6.5% will benefit the \$100,000-plus class, with the \$20,000-to-\$60,000 group picking up the tab.

The lower marginal rates were a priority in many statehouses. Why? The pols wanted their taxes to look lower to gain an edge in the economic development war between the states.

"How many prospects don't look at Iowa because someone showed them a chart that Iowa has a top 13% rate?" frets Iowa Governor Terry Branstad, whose plan to cut Iowa's rate to 6% died in the legislature. Pleads Branstad: "When you put the chart in *FORBES*, put an asterisk [next to Iowa] saying the governor says: 'But we have full deductibility of federal taxes and we maintain the capital gains exclusion and we're going to keep working to bring the rate down.'" That deductibility of federal taxes on Iowa returns has some strange effects. For someone in top federal and state brackets, the effective Iowa rate on, say, bank interest is only 6.1%.

One prod to Iowa: Northern neighbor Minnesota got rid of its awful-looking 14% top rate. In a total over-

haul, Minnesota wiped out a slew of deductions, raised personal exemptions and compressed 25 tax brackets spread across two separate rate charts into three, with the highest 8.5% for married couples.

If that sounds too good to be true, it is. Minnesotans with an adjusted gross of \$100,000-plus will pay an estimated 19% more under the new sys-

"How many prospects don't look at Iowa because someone showed them a chart that Iowa has a top 13% rate?" frets Iowa Governor Terry Branstad, whose plan to cut Iowa's rate to 6% died in the legislature. One prod to Iowa: Northern neighbor Minnesota got rid of its awful-looking 14% rate.

tem. Still, Tom Triplett, the state's tax commissioner, claims many upper-income folks who didn't use tax shelters will pay less.

Price Waterhouse calculated for *FORBES* the impact of state taxes on two hypothetical families in New York, Connecticut, Iowa and Minnesota. The first example consisted of a retired couple with \$85,000 of in-

come, including a pension, \$25,000 in interest and dividends and \$20,000 in long-term capital gains. In 1986 they would have paid \$5,302 in Minnesota; \$4,760 in Iowa; \$4,714 in New York and \$1,782 in Connecticut.

In 1988 Iowa's tax bite won't change for this couple, and Minnesota's will rise 6% to \$5,612. In New York, which is ending its discriminatory treatment of unearned income, the hit will decline 18% to \$3,860. But in Connecticut the bite will rise 42% to \$2,532, despite the continuing 60% capital gains exclusion.

Connecticut is, however, a relative bargain for a young couple with two children and \$100,000 of earned income from one salary but only \$5,000 of interest and \$10,000 of long-term gains. That's because the state doesn't tax earned income. By contrast, New York is and will remain in 1988 the most expensive of the four—though by a narrowing margin.

In Price Waterhouse's example, which assumes a \$9,000 deduction for mortgage interest, 1988 state taxes will be \$7,577 in New York, \$7,052 in Minnesota, \$5,904 in Iowa and just \$866 in Connecticut.

So when it comes to the new "lower" state tax rates, a little skepticism and a great deal of figuring are in order. ■

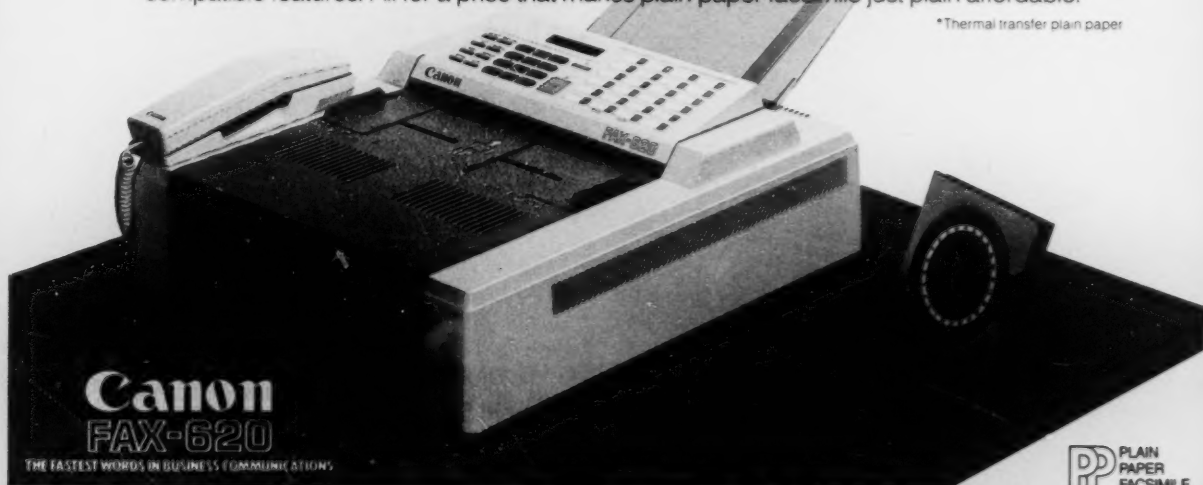
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*Thermal transfer plain paper



1987

Annual Fund Survey

THE RIGHT MUTUAL FUNDS FOR THE NEXT 12 MONTHS ...AND BEYOND

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Annual Fund Survey/International

Fund peddlers on the Channel Islands are dimly aware that some of their customers may be doing something naughty. But it's not their job to find out.

Fund havens

By Richard Phalon

IT IS MID-MORNING in St. Helier on Jersey, one of the Channel Islands and one of the world's busiest tax sanctuaries. In the offices of a British offshore fund manager, an American is pursuing goods of a more permanent variety than the island's VAT-free liquor and Havana cigars.

While the salesperson talks persuasively about performance, the shopper is thinking about the boilerplate in a prospectus he has just read. It says flatly that the fund (like almost all such funds) has not been registered under U.S. securities laws and therefore cannot be sold directly or indirectly to Americans.

The sales rep is very good. A bit more chat and a seemingly artless question: "Are you an American, then?" So much for such giveaways as a button-down collar and a New York accent.

"For the purpose of this conversation," replies the shopper, "I spend no more than 60 days a year in the U.S.

The rest of the time I work abroad."

"Ah, I see," laughs the salesman. "Then for the purpose of this transaction I suppose you'll be British—or something."

Offshore biggies

The biggest vary sharply in size and performance.

Fund	Total net assets (\$mil)	2-year return*
Robeco	\$5,500	146.3%
Rolinco	2,600	144.3
Quantum	2,200	226.3
Unifonds	850	114.3
Capital Italia	842	137.0
Fonsa	787	133.4
Mercury Comm Mkt	762	145.9
Investa	709	130.4
Mercury Far Eastern	492	168.6
Concentra	467	137.0

* June 30, 1985 to June 30, 1987.

Source: Lipper Analytical Services

U.S. securities laws in theory reach beyond the water's edge. But managers overseas have little to fear from the Securities & Exchange Commission. Even operators with indirect U.S. connections that might be vulnerable to SEC pressure argue they can go only so far in checking the "I am not an American" declaration. They aren't very compulsive about enforcing U.S. tax laws, either.

"There are any number of subterfuges," says Richard Syvret, who as commercial relations officer is one of Jersey's top securities regulators. "The simplest is giving a work address abroad instead of a home address in the U.S."

"We're not detectives," says Thomas Veitch, managing director of Wardley Investment Services International, an affiliate (like Marine Midland Banks) of the Hongkong & Shanghai Banking Corp.

Stabbing yet another Player's cigarette into his overflowing ashtray, Veitch says with some asperity, "If we receive an application from an address outside the U.S., we certainly can't question its legitimacy any more than we can ask where the money came from."

Polite fictions notwithstanding, expatriate money—some of it certainly American, a lot more of it British—is one of the major driving forces behind what Lipper Analytical Services counts as 1,015 overseas funds with \$80 billion. Jersey alone is home to more than 300 funds.

There is also little doubt that, besides tax-shy money, black currency of one kind or other also gets laundered through offshore portfolios. "It's no different than in the U.S.," says Peter Curry, corporate counsel of Putnam Advisory Co. "You don't know whether the money is coming from a Mafia don or a little old lady in

Chas. B. Slackman



Annual Fund Survey/International



Wardley's Thomas Veitch

Ian Berry, Magnum

Money man yes, detective no.

tennis shoes."

It is all the easier for the money to roll in nowadays, what with the spread of multinational corporations and those peripatetic, well-paid executives who spend part or all of their working lives putting together computer systems in Osaka or wholesaling trucks in Rio. The major beneficiaries have been such havens as Jersey and Guernsey, Luxembourg and Bermuda. The funds leave the investor to deal with his own national tax liabilities as circumstances demand or conscience suggests.

The temptation to invest beyond sight of the IRS (some funds sell bearer shares) is one of those Mitty-esque fantasies to which any U.S. businessman working abroad could succumb. The cost of getting caught could be anywhere from a 50% penalty on unpaid tax to jail. There was one narrow loophole that could be exploited—tax deferment on income from closely held investment companies majority-owned by foreigners—but that was plugged last year.

But it's still no tax violation for an American to own an offshore fund, provided the income gets reported. As to the potential securities law violations, the burden seems to run to the seller rather than the buyer. A buyer found to be masquerading as non-American though, risks having his shares redeemed immediately.

For years the offshore funds were haunted by the Falstaffian shade of Bernie Cornfeld and his rapacious Investors Overseas Services. They had a bad smell about them. But the Cornfeld scam led slowly to tighter regula-

tion in the tax havens themselves to disclosure approaching American standards. The bad odor faded.

Bernie's successors are the respectable likes of Fidelity Investments, Marsh & McLennan's Putnam International, Equitable's Alliance Capital and Aetna Life & Casualty. Fidelity, building on its huge U.S. and U.K. bases, has, through sister corporations, accumulated more than \$2 billion in such havens as Luxembourg, Jersey and Bermuda. Citicorp, aiming mainly at institutional accounts, has \$250 million in 43 offshore funds.

What does an investor find when he enters this strange world? Many of the offshore funds, by American standards, are quite small and speculative. They may load up on illiquid private placements. Drexel Burnham's closely held Worldwide Securities Ltd., for example, on Apr. 30, 1986, its last available report, had 14% of its assets tucked away in restricted and unquoted securities. A Peat Marwick accounting note said management's valuation procedures "appear to be rea-

sonable" but involve "subjective judgment."

Few of the choices come cheap. Loads cluster around 5% but can run to 7.5%. Management fees, generally 1% plus performance bonuses, tend to be higher than in the U.S. Citicorp's specialized funds, for one, draw incentive fees amounting to 15% to 20% of any annual increase in net asset value of more than 10%.

How to judge them? Two major independent reference points are the Financial Times Offshore Fund Yearbook (FT Business Information, Ltd., 102 Clerkenwell Road, London EC1M 5SA) and the New York-based Lipper Analytical Services. The Lipper figures (see table, p. 140) suggest that the best of the offshore funds are indeed first-rate.

Do offshore funds ever cheat their clients? "We don't hear very much in terms of investor complaints," says an SEC investigator. "It's in the nature of the beast. A guy who is trying to dodge taxes isn't in much of a position to cry foul." ■

Don't drool over last year's returns on international investing. They aren't relevant to your investment decision today.

Buying abroad

By Ronit Addis

FOREIGN BOND FUNDS are terrific investments, says a letter from a public relations firm promoting Tucker Anthony's Freedom Global Income Plus. Just think: You would have made 16.1% a year in Japanese bonds from 1976 to 1986, or 14.5% in British bonds. During that decade U.S. bonds brought in an average return of only 9.9%.

Persuaded? Don't be. Within that

sales pitch lies one of the greatest investment fallacies: Investors foolishly think that whatever has been good in the past will remain good. Yet, often as not, the opposite is true. Small company stocks beat the blue chips during one period, then blue chips beat small stocks in the next. Bondholders get murdered in the 1970s, then make windfall gains in the 1980s. After all, there would be no logic in a world in which one stock, one sector or one country always did

Annual Fund Survey International

The largest foreign stock funds

Assets of funds that invest abroad have been exploding. For further data, see the stock fund tables beginning on page 170.

Fund	Assets (\$mil)	Fund	Assets (\$mil)	Fund	Assets (\$mil)
Templeton World Fund	\$4,199	Templeton Foreign Fund	\$276	Scandinavia Fund*	\$72
Fidelity Overseas Fund	2,313	Shearson Global Opportunities	269	First Investors Intl Securities	69
Templeton Growth Fund	1,447	EuroPacific Growth Fund	245	World Wide Value Fund*	68
New Perspective Fund	1,119	Korra Fund*	210	Freedom Inv II-Global Fund	65
T Rowe Price Intl Stock Fund	1,004	Mexico Fund*	207	GT Global Pacific Fund	60
Prudential-Bache Global Fund	831	Fidelity Europe Fund	201	Financial Strategic-Pacific Basin	60
Scudder International Fund	807	Alliance Intl Fund	195	Fidelity Intl Growth & Income	53
Japan Fund†	704	Shearson Lehman-Intl Equity	185	IDS Strategy Fund-Pan Pac Gr	53
Putnam Intl Equities Fund	612	Keystone Intl Fund	162	Flag Investors International Trust	36
Templeton Global II	587	John Hancock Global Trust	158	GAM International Fund	34
Vanguard World-Intl Growth	560	AMA Growth Fund-Global Growth	136	Taiwan Fund*	32
Oppenheimer Global Fund	517	FT International	119	GAM Global Fund	27
Dean Witter World Wide Inv	495	Templeton Emerging Markets*	112	Alliance Global Fund-Can Fund	27
Merrill Lynch Eurofund	488	France Fund*	111	GT Global International	24
Merrill Lynch Pacific Fund	482	Pellard, Biehl & Kaiser Intl	109	MFS Lifetime Global Equity Trust	22
Merrill Lynch Intl Holdings	359	Thomson McKinnon Inv-Global	105	GT Global Europe	18
IDS International Fund	354	Nomura Pacific Basin Fund	103	Alliance Global Fund-World Eq	12
Templeton Global I	337	Scudder Global Fund	102	Criterion Global Growth Fund	11
PaineWebber Atlas Fund	322	Fenimore International Fund	96	Sigma World Fund	11
Fidelity Pacific Basin Fund	317	Asia Pacific Fund*	85	Colonial Intl Equity Index	9
Sci/Tech Holdings	298	Italy Fund*	81	GT Global Japan	7
United International Growth	292	Scudder New Asia Fund*	78		

*Closed-end. †Plan to convert to open-end pending as of 8/14/87.

Foreign income funds

From the table beginning on page 218.

Fund	Assets (\$mil)
First Aus Prime Income Fund	\$783
Merrill Lynch Retirement Global Bond	363
T Rowe Price Intl Bond Fund	202
Mass Financial Intl-Bond	148
Templeton Income Fund	119
Pacific American Income Shares	93
Klienwort Benson Aus Income Fund	66
Fidelity Global Bond Fund	27
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AMA Income Fund-Global Income	15
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better than the rest. The market abhors predictability.

That said, there is a legitimate reason to invest in international funds, but not what the touts would have you believe, that they outperform other groups. The real reason is diversification. You don't know whether Japanese bonds will outperform U.S. bonds next year, but you do know that the Japanese market won't move in lockstep with the U.S. market. The wise investor covers his bets. The advantage of foreign funds as a hedge is that they protect the investor against a falling dollar: If the dollar depreciates against the other currency, a U.S. investor can make money even without a gain in the local market. So we present these lists of international funds, not because they have performed well in the recent past, but in the interest of diversification.

Until mid-May most of these funds were booming. Then the dollar began

to rebound, and since then net sales at some have fallen off. Still, hopeful fund operators have shoved out 14 new overseas funds so far this year. There are another 10 new global funds, which invest in the U.S. as well as abroad.

Some invest in markets throughout the world. Others, such as the Scandinavia, Japan, Mexico and Italy funds, limit themselves to specific regions or countries. The Templeton Emerging Markets Fund invests only in the Third World.

Many of the new offerings are bond funds. If the bonds are denominated in a weakening currency, such as the Australian or New Zealand dollar, they will have a higher yield than U.S. bonds of similar credit quality. But remember this when you are attracted by the apparent high yield: Further declines in, say, the Australian dollar against the U.S. dollar could easily turn the seemingly handsome return

Annual Fund Survey/International

into a loss. By the same token, a low-yield bond in a strong foreign currency (yen or Swiss francs) may be just as good a buy as a U.S. dollar bond.

The big question, in any event, is how well the U.S. dollar will do against the rest of the world's currencies as a group. If the dollar continues to weaken, then almost any international bond fund will probably do well. If the dollar strengthens, an international bond fund almost certain-

ly won't beat a U.S. bond fund.

Right now the consensus among the experts, reflected in prices in the yen futures market, is for a gradual appreciation of the yen against the dollar. Does that mean yen bonds are likely winners? Not necessarily. The lower yields on yen bonds just offset this anticipated gain in the currency. In short, there's no free lunch in international bonds.

Although there are no free lunches,

there are some modest discounts. Closed-end stock funds are available at a discount to underlying asset value for France, Italy, Mexico and South Africa (ASA Ltd., the former American South Africa). Thus, it is possible to get some international diversification more cheaply than by going into an open-end fund. There is a risk, however, that the discount will be just as wide when it comes time to sell. ■

It's okay to hire a relative—if you're as talented as Lilia Clemente and your relative is as talented as Leopoldo Clemente.

Family portfolio



Lilia Clemente
A global greening.

Cheryl Zink

By Richard Phalon

LILIA CLEMENTE ranks among the very hottest of global money managers. But the 46-year-old Filipina is typically modest about her performance in these tough and sophisticated markets.

"How can you grow up in Manila and not know something about currency and commodities?" she asks. "Even to buy a lipstick that can be American- or Japanese-made, you have to think about what pesos and yen are to the dollar."

Some of Clemente's skills are almost certainly sharpened at the dinner table. She recently hired as chief investment officer a well-established manager in the person of Leopoldo M. Clemente, her husband of 23 years. As one of the few such husband-and-wife teams around, they run Manhattan-based Clemente Capital Inc. It manages trust accounts, an insurance company portfolio and four funds.

But a lot of Lilia Clemente's skill goes back to an earlier dinner table. She is the eldest of seven children of Jose D. Calderon, a lawyer who specialized in mining companies, and Belen Fabros, the first woman to own a seat on the Manila Stock Exchange. Despite her privileged upbringing, it was an embattled household: An outspoken opponent of Ferdinand Marcos, her father was jailed for nine months when Marcos declared martial law in 1972. Her mother, now governor of Nueva Vizcaya, in northern Luzon, was an active supporter of Corazon Aquino. "I was always asked what I would do for my sisters and brothers if my parents were shot," recalls Lilia Clemente.

The diminutive and kinetic Clemente will not sit on the sofa in her office ("My feet do not touch the floor"), and so she prowls restlessly behind her desk, riffling through

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and the loss would not be deductible.

Solution: Sell one long-term muni bond fund and buy into a similar fund at another fund family. If you have money market accounts at two different fund houses, it may be possible to effect a swap with two telephone calls. You switch \$37,000 from Dreyfus Tax Exempt Bond Fund to Dreyfus Tax Exempt Money Market Fund, and a few minutes later switch \$37,000 from Fidelity Tax Exempt Money Market Trust to Fidelity Municipal Bond Fund. Long-term muni funds from Dreyfus, Fidelity, Rowe Price and Vanguard are essentially interchangeable. But so far the IRS hasn't considered them "substantially identical," says Joseph Palombo, tax partner at Coopers & Lybrand in Boston and author of a recent treatise on investment company taxation.

• *Open separate accounts for subsequent investments.* If, that is, the fund will let you. Fidelity permits multiple accounts in the same name at the same fund (each, of course, must meet the minimum). Merrill Lynch won't.

The idea here is to preserve a sepa-



rate tax cost for each investment. Suppose you put \$10,000 into a fund when it's at \$15 and another \$10,000 in when it's at \$25. A while later you need to withdraw some money when the fund is at \$20 a share. Which are you selling, the \$25 shares (result: deductible loss) or the \$15 shares (result: taxes due)? With multiple accounts, you simply redeem out of the account

that suits your purpose.

With all \$20,000 in one account, identifying the tax cost is more complicated. One way is to use one of the methods outlined in IRS Publication 564, "Mutual fund distributions." (One guess whether these methods tend to minimize taxes.)

The other approach is to demand that the fund mail a certificate each time you buy shares. Then you can choose whether to redeem the certificate that cost \$25 a share or the \$15 one. However, funds consider certificates a nuisance and will punish you with time-consuming delays when you redeem. Some funds won't issue them at all.

If you have a conventional, no-certificate account, it remains an open question whether you can identify which shares you are selling merely by writing "Redeem the 392 shares I bought Apr. 3, 1986" on a redemption order. Opinions—from the IRS and from private accountants—vary widely. In short, we recommend the safer technique of opening multiple accounts, if the fund will cooperate. ■

Want to bet with the house and own shares in a fund manager? Pay close attention to where the revenues are coming from.

Are fund management stocks cheap?

By Robert McGough

FOR THE FIRST time in several years, money managers look cheap. Not counting a couple of small fund operators in the red, they're all trading at below-market multiples of their earnings. Despite the Dow's breach of 2600, public money managers are selling for as little as half their prices in the spring.

Growth? Since 1983 the per-share net has nearly doubled at Dreyfus, more than doubled at T. Rowe Price and is up tenfold at Franklin Resources.

Why is the market turned off by these stocks? Because it is skeptical that they can keep it up. It's a question of quality of earnings.

There are really only two ways for mutual fund advisers to make money. The fees they earn for managing as-

sets keep rolling in, so long as they have assets to manage. But the underwriting commissions they get when they sell load funds have a way of disappearing when investors turn off to the latest fund fad. Revenues at such outfits as American Capital Management & Research and Criterion Group have leaned heavily on one-time sales loads.

The phenomenon of one-time loads is most conspicuous for bond funds, which enjoyed enormous popularity in 1985 and 1986 as bank customers went hunting for higher yields than they could get on safe bank deposits. Last year bond funds accounted for two-thirds of fund sales (not counting money market funds).

But this year has been mostly bad news for the bond funds. The bond market's tumble in April and May taught investors that bond funds are not as safe as bank deposits. Not surprisingly, sales dried up at funds like Criterion's U.S. Government High Yield Trust. In the second quarter Criterion's income from sales of new fund shares dropped 90% from the 1986 quarter, helping to bring earnings per share down 50%. Similarly, American Capital Management & Research, a subsidiary of Primerica

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Fund manager stocks

Why is the market turned off to these stocks? Some of them are dependent on one-time underwriting income. But only some of them.

Manager	Price 8/7/87	Trailing 12-month P/E	Assets under management (\$bil)	Market value/ assets
American Capital	18½	12.6	\$18.5	2.43%
Atlanta/Soanoff	10½	11.4	5.2	1.86
Colonial Group	19½	10.1	9.7	1.60
Criterion Group	10½	7.6	12.6	0.60
Dreyfus	34½	16.2	41.2	3.50
Eaton Vance	23½	11.1	6.2	1.46
Franklin Resources	23½	11.5	34.1	1.76
Oppenheimer Capital ¹	11½	11.6	12.5	0.68
Pioneer Group	21½	11.5	7.0	1.85
T. Rowe Price	39	17.0	24.3	1.12
Reich & Tang ¹	16½	11.2	5.4	3.06
United Asset Management	18	12.8 ²	25.4	1.48
Dow Jones Industrial Index	2592	20.5		

¹Master limited partnership. ²Earnings before amortization of contracts.

Sources: Drexel Burnham Lambert; First Boston; Standard & Poor's.

Corp., garnered 44% of its 1986 revenues from underwriting commissions. For the second quarter of 1987, American Capital's net income per share was off 15%.

Unfortunately, investors seem to be tarring all fund managers with the same brush. Dreyfus and T. Rowe Price, for example, run only no-load or low-load funds and consequently get

virtually all their revenues from management fees rather than from sales commissions. They are thus much less vulnerable to a slowdown in fund sales. Dreyfus' second-quarter 1987 earnings are up 26% from 1986. T. Rowe Price, another no-loader, saw its net rise 24% in the second quarter. Contrast this with the declines shown by the companies that concentrate on funds with a large sales charge.

Franklin Resources, whose \$15 billion U.S. Government Securities Fund is the largest non-money-market fund in the U.S., got 19% of its revenues from underwriting commissions in 1986. So far it has escaped the earnings rout that has afflicted some load houses.

No-load and low-load houses like Dreyfus and T. Rowe Price (and, to some degree, Franklin) have higher P/Es than their competitors. Even so, the market may be undervaluing these companies relative to firms counting on new sales for most of their profits. It's a difference in quality of earnings.

But say this for all the fund houses that went public: They showed exquisite timing in their public offerings. Would that they do as well for their fundholders when the stock market itself peaks. ■

Bubble and squeak

Not only U.S. fund managers are cleaning up in the current bull market. British managers of open-end funds (unit trusts, as they are called) are hot now. Indeed, overheated, considering the ephemeral nature of their earnings.

The City, London's financial district, has always been a cosmopolitan capital market, and it has profited handsomely from the international investing craze. The hottest trusts invest not only in British but also in U.S., Japanese and continental European stocks. There is even a trust for Philippine stocks. As befits the capital of the thrifty Scots, Edinburgh competes with London for this business.

Unit trust assets, at £43 billion (about \$68 billion), have doubled in the last year and a half. Record net sales were recorded in 1985 and 1986.

Although the Scots and English have run pooled investments for over a century—long before the term mutual fund was invented—only recently have they put on airs. "When I went to Edinburgh eight years ago, a lot of investment trusts were managed out of legal practices," says Raymond Kelly, a broker with James Capel & Co. in London. "There wouldn't even be a

shade on the light bulb." Now, he says, there are "plush carpets, lovely pictures on the walls, dining rooms."

What's paying for all this? The sort of one-time earnings that evaporate in a bear market. There's no such thing as a no-load fund in the U.K. Trusts charge a 5% commission to all but the largest purchasers.

British management companies have also been getting one-time profits from "box trading." When a shareholder redeems, the trust manager can hold the shares "in the box" and sell them to a later investor at a profit or loss. A nice windfall—in a bull market. Last year both M&G Group and Edinburgh Fund Managers got more than 40% of their revenues from sales commissions and box trading. Management fees, at around 1%, are a bit higher than in the typical U.S. fund, but British managers have to pick up the tab for shareholder expenses, such as printing, accounting and stock transfer.

Notwithstanding the obvious hazards, investors can't get enough of these British management company shares. The average U.K. money manager trades at 22 times earnings, almost double the figure for U.S. money managers, and at a valuation of 4.9% of assets under management, triple the U.S. figure.—R.McG.

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There are two big things you have to keep an eye on in selecting a mutual fund: consistency and efficiency.

How to pick a mutual fund

By Laura Walbert

WITH THE STOCK MARKET setting record highs every time you blink, it's easy to find a mutual fund with spectacular recent performance. But mutual fund buyers chasing after those gains are making a costly mistake. Many of the funds that go up the fastest are among those that go down the fastest. When the market goes down, as markets always do, those recent big gains become big losses.

The smart fund investor looks for a record of respectable performance in both bull and bear markets. Consistency is everything. That idea is built into the FORBES rating system, which scores funds separately for up markets and down markets. There are lots of funds that do well in up markets and another large group of conservative funds that look better in down markets. But there are precious few that finish in the top half in both.

That small group of fair- and foul-weather performers qualifies for inclusion on the FORBES honor roll, which appears on page 166. An additional hurdle is a good overall performance since Sept. 30, 1976. Only 19 funds make the grade this year.

Why do we harp so on consistency? Two reasons. One is that you don't know when you will need your money. You may not be around for the full market cycle. If that happens—and it does happen—you don't want to be in a highly volatile fund at the bottom of its cycle.

The other reason is the simple arithmetic of compound performance.



Chas B. Sta. 1987

Suppose a hot fund races ahead 45% during a bull market, then slumps 30% when the market falls. Another fund gains just 25% during the bull market but falls only 10% during the following bear market. An investor who put \$10,000 in the first fund would now have \$10,150. In the second fund he would have \$11,250. The tortoise beats the hare.

We grade funds over three market cycles between Sept. 30, 1976 and June 30, 1987: three ups and three downs. An exceptionally good or bad run in any of the six market periods is discounted to reduce the effect of one lucky (or unlucky) streak on the fund's rating. The final period, an up lasting almost three years, is weighted more heavily than the others because of its duration and immediacy. That change in the formula from last year—and the fact that some good funds turned too cautious lately—have pushed a few funds down sharply in the rankings. American Capital Venture on last year's honor roll, now gets a D in up markets.

Taxable bond funds are also rated for up and down market performance (see p. 218). Again, it's easy enough to excel in bear markets (by being cautious) or in bull markets (by buying long bonds) but hard to do both.

The most efficient funds

A low portfolio management cost is far from the only criterion in picking investments, but it is an important and often overlooked one. Here we show from one to four of the lowest-expense funds in each of six categories. Each fund has no load or exit fee, has assets over \$100 million, and keeps its turnover below 100% a year. We excluded funds whose expense ratios were distorted downward by a temporary absorption of expenses by the sponsor.

Name	Type	Annual Turnover ¹	Expense ratio	Assets (\$mil)
Vanguard Index Trust	stock	29%	0.28%	\$906
ASA Limited	stock*	2	0.31	845
Lehman Corp	stock*	58	0.43	1,022
Fidelity Trend Fund	stock	71	0.52	815
Vanguard Wellington Fund	balanced	25	0.43	1,541
Vanguard Fixed Income Secs-GNMA	taxable bond	28	0.38	2,307
Vanguard Fixed Inc Secs-Invest Grade	taxable bond	47	0.41	613
Vanguard Muni Bond-High Yield	tax-free bond	38	0.33	809
Vanguard Muni Bond-Long Term	tax-free bond	32	0.33	632
Merrill Lynch Government Fund	money market	NA	0.43	1,622
Vanguard Municipal Bond Money Market	tax-free MM	NA	0.33	1,815

*Closed-end. NA: Not applicable. ¹Lesser of portfolio sales or purchases divided by average assets.

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So much for consistency. What about efficiency? By that we mean low transaction costs. Many of today's hottest-selling funds offer just the opposite. They charge their customers money to get in or money to leave. They make existing shareholders shoulder the expense of rustling up new shareholders, via so-called 12b-1 distribution plans costing as much as 1.25% a year. They run up overhead expenses.

Efficient funds keep the costs of investing low. They are no-load, in that they impose neither an initial sales charge nor a redemption fee. Expenses billed to shareholders are low. If they have 12b-1 plans at all, the shareholders pay a negligible amount—or nothing at all, if the expenses of distribution are borne by the promoter of the fund.

Who cares about a 2% expense ratio when the market is going up 25% in a year? For that matter, why worry about an 8.5% sales load, if you're going to make it all back in a few months? Because transaction costs like those are just about the only as-

pect of investment performance that is truly under the investor's control. And overhead cost is a drag on performance. It may not be noticeable in a single year, or even in five if the market heads straight up. But after 20 years, an extra 1.5% a year in overhead knocks 26% off the value of a portfolio. That's 26% less to retire on.

Don't get us wrong: No one should pick an investment solely on the basis of its transaction costs. But *FORBES* is well aware of the fallibility of any forecast of investing results. The honor roll is not foolproof. It is only a record of which funds have shown some skill in the past at handling both bull and bear markets.

Efficiency, although much less important than skill in final results, is much more predictable. Last year's high-cost funds aren't likely to give up their distribution plans this year. And you can forecast with 100% certainty that an 8.5% load is going to come out of your hide.

For that reason, *FORBES* has long shown annual expense ratios alongside performance data. (Performance

numbers are net of expenses but do not reflect sales loads.) We also show load charges—front-end and exit fees combined into a single column in the tables. We flag funds with 12b-1 plans unless the plan merely authorizes the fund administrator to spend its own money on distribution. The Vanguard funds present a unique situation, because the administrator is owned by the funds themselves. Vanguard's distribution costs, however, are negligible (less than 0.1%), and so we don't show its funds with a 12b-1 dagger.

This year we introduce our "Most efficient funds" table, aimed at showcasing the efficient operators, much as the honor roll does the performers. The winners meet demanding criteria: Expense ratios lowest in their categories, no temporary absorption of expenses by the sponsor (which would distort the ratio), assets of at least \$100 million no sales loads and annual turnover below 100%. The two closed-ends will cost you a broker's commission, but they have an offsetting advantage: They trade at a discount to net asset value. ■

Watching the pennies

At a time when most funds trumpet their bull market gains, the Vanguard Group talks about operating efficiency. Its 45 funds boast some of the lowest expense ratios in the business, and 7 of them make our "Most efficient funds" list (see p. 162). This tightfisted control of costs doesn't win Vanguard many honors in the various mutual fund sweepstakes, but it has attracted some \$30 billion in assets.

Almost 60 years old, the group was founded by Walter L. Morgan near the peak of the 1929 bull market. Morgan wanted to start a fund with assets balanced between stocks and bonds—the stocks for appreciation, the bonds as anchor to windward. He called it Wellington Fund after his hero, the victor at Waterloo. Still alert at 89, Morgan recalls that it survived the crash but seemed outmoded in the 1960s, when go-go funds did 50% or 100% a year. Who needed an anchor?

But many go-go operators aren't around anymore, while Wellington, with \$1.5 billion in assets, is. As for performance: Since 1929 the fund has chalked up an average 7.7% annual return, about what you would expect. During that period the S&P 500 averaged a 9.7% total return and the Salomon High Grade Corporate Bond Index 4.9%. However, there were times when common stock investors were nearly wiped out and others when bonds had a negative return. Wellington avoided extremes of both pain and pleasure.

The balanced fund wasn't an easy sell. "The first million dollars I practically had to sell myself," recalls

Morgan, who still works two days a week at Vanguard. "You couldn't get the dealers to sell mutual funds in those days. They wanted to trade their clients' accounts themselves, and churn them around."

And then many of the brokers found themselves selling apples or driving taxicabs.

John Bogle, who now heads Vanguard, wrote a college thesis on mutual fund costs and used it to get a job offer from Morgan. Under Bogle, Vanguard farmed out most of its portfolio management and focused on sales and administration. Its star money manager, for example, John Neff of the Windsor and Gemini funds, works for one of Vanguard's contract advisers.

Since 1975 Bogle has pushed down the average expense level at Vanguard funds from 0.68% of assets annually to 0.46%. At the same time the average at other large fund groups has gone the other way, from 0.58% to 0.72%. Many funds in the following tables let annual expenses run to 1.5% of assets or even more.

Who cares? Long-term investors should. "If two managers are turning in 12% returns, but one takes 0.5% and the other 1.5%, over 20 years the difference is like that between day and night," says Bogle. Starting with \$10,000, the investor would have \$88,205 with the first, \$73,662 with the second.

Should one, therefore, rush out and buy the funds with the lowest operating charges? No, but costs are an important consideration, especially under the new tax law (see story, p. 154). —Jonathan Clements

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The
honor
roll

Illustrations by Patrick McDonnell

IN 1896 A SPECTACULAR GEYSER burst out in Iceland. For ten days it shot steam, water, dirt and clay 700 feet into the air, then fizzled out. Old Faithful of Yellowstone National Park, though less impressive than Iceland's short-lived wonder, keeps on going year after year, day after day.

And so it is with mutual funds. Some perform spectacularly one year and sink the next: These are investor traps, attracting attention just as the sizzle is turning to fizzle.

FORBES firmly prefers Old Faithful to the Iceland ten-day wonder. For this reason we shun the usual one-, three- and five-year measurements of straight-line fund performance in picking our honor roll. The FORBES honor roll runs funds through a gamut of tests based not on last year's returns but on a 10 $\frac{1}{4}$ -year series of market cycles, both up and down, ending on June 30, 1987.

A fund has to get a B or better in both bull and bear markets in order to qualify. It is easy enough to do well in up markets only or down markets only. For up-market performance, buy high-risk growth stocks. For down markets, buy low-risk stocks with big dividends. But achieving good results in both kinds of markets takes a special skill; only 40 of the 314 stock funds earned a B or better in both kinds of markets.

One more threshold: To make the honor roll, a fund had to be able to turn a hypothetical \$10,000 investment made

Fund/distributor	Performance UP	DOWN	Lead manager (consecutive years as manager)	Net assets 6/30/87 (\$mil)	Maximum load	Annual expenses per \$100 assets	
Acorn Fund/Acorn	B	B	Ralph Wanger (16)	\$526	none	\$0.79	
Amcap Fund/American Funds	B	A	no lead manager	1,894	8.50%	0.51	
American Capital Pace/American Capital	B	A +	John Roche (2)	3,001	8.50	0.64	
Claremont Capital/Claremont Ad	A	A +	Erik Bergstrom (11)	69	NA	0.98	
Evergreen Fund/Lieber	A	B	Steven Lieber (16)	780	none	1.02	
Fidelity Destiny Portfolio I/Fidelity	A	A	George Vanderheiden (7)	1,475	NA	0.60	
Fidelity Magellan/Fidelity	A +	A	Peter Lynch (10)	10,842	3.00	1.08	
Growth Fund of America/American Funds	A	A	no lead manager	NA	1,139	8.50	0.66
Mass Capital Development Fund/Mass Financial	A	B	William Harris (17)	1,098	7.25	0.71	
New England Growth/New England	A	B	Kenneth Heebner (11)	472	6.50	0.84 ²	
Nicholas Fund/Nicholas	B	A +	Albert Nicholas (18)	1,294	none	0.86	
O-T-C Securities Fund/Review Management	B	A	Binkley Shorts (6)	304	8.00	0.85	
Pennsylvania Mutual Fund/Pennsylvania Mutual	B	A	Charles Royce (14)	363	none	0.98	
Shearson Appreciation/Shearson Lehman	A	B	Harold Williamson (6)	515	5.00	1.00	
Sigma Venture/Sigma Investor	B	B	Richard King (17)	75	8.50	0.96 ²	
Tudor Fund/Weiss, Peck & Greer	A	B	Melville Straus (14)	213	none	0.99	
Twentieth Century Select Investors/Twentieth Century	A +	B	James Stowers (16)	2,975	none	1.01	
United Vanguard/Waddell & Reed	B	B	Henry Herrmann (11)	651	8.50	0.98	
Value Line Leveraged Growth/Value Line Sec	B	A	Mark Tavel (15)	421	none	0.96	

¹Most funds have lower minimum requirements for IRAs. ²Lesser of security sales or purchases, divided by average net assets. ³Value on 6/30/87 of \$10,000 invested 9/30/76, after taxes, for hypothetical upper-income investor (see text for details). ⁴Monthly contractual plans only, with loads

in 1976 into at least \$60,000 by 1987, after income taxes and loads. We applied loads at 1987 rates and taxed distributions as if the investor had \$100,000 of gross income in constant 1984 dollars, deductions equal to 20% of income (15% in 1987) and four exemptions.

This method penalizes funds that charge loads and pay out large distributions to shareholders. It favors those that allow appreciation to accumulate unrealized and untaxed, taking the form of an increase in the net asset value per share. In short, the formula imitates real life.

Fidelity Magellan again tops the list in aftertax results, turning a hypothetical \$10,000 into \$175,470. Twentieth Century Select would have multiplied to \$125,495.

Consistently top-notch performance is the only way to get on the honor roll. And consistency is measured by performance but created by people. That's why we list the lead portfolio manager for every fund that has one, along with the length of tenure in that position. You don't want to buy the performance record of someone who has left.

Two honor roll funds, Amcap and Growth Fund of America, don't have lead managers. Their portfolios are parceled out among a committee of managers—whose names are a state secret. (The SEC should do something about this nondisclosure.) But the system seems to work for American Funds. Says spokesman Peter Langer, "That's why we got the results we did." Amcap has made

the honor roll nine consecutive years and Growth Fund five—but investors have to ask themselves why it should keep working.

Scudder Development, on last year's list, dropped off this year when its up-market grade dropped to a C. Three more of last year's funds—Janus, Partners and Sigma Capital—fell short of the \$60,000 minimum. We welcome back one former honor roll member, Charles Royce's Pennsylvania Mutual Fund, which was left off in 1986 because it was not open to new investors. It reopened in July, with a \$25,000 minimum.

The price/earnings ratio column, provided by CDA Investment Technologies, calculates an average ratio for the portfolio weighted by the size of its stock holdings as of Mar. 31, 1987. Almost all the honor roll funds maintain portfolios priced higher than the market multiple, which was then 19.4, but none of them is so high as to cause alarm.

The portfolio turnover column reveals how much the fund managers tend to jump in and out of securities. A high portfolio turnover rate translates into higher costs in commissions and bid/ask spreads. Some heavy-trading managers can overcome these transaction costs, but in most portfolios they are a drag on performance. The average portfolio turnover rate for the group was a fairly modest 65%—meaning its average holding time for a typical stock was about 18 months.—Ronit Addis

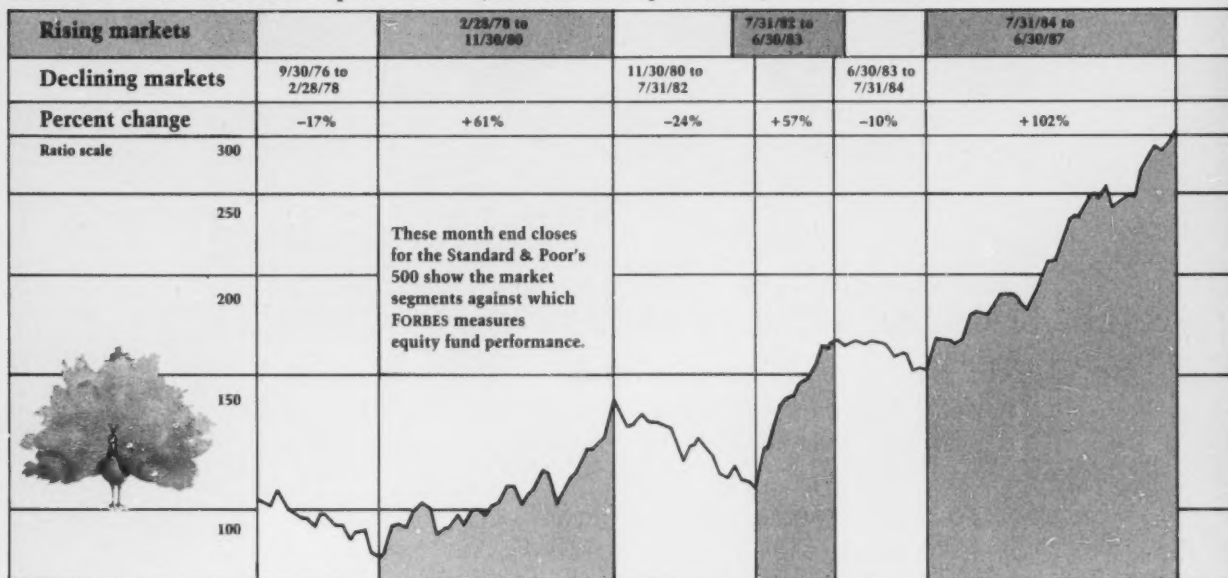
Minimum initial investment ¹	Weighted average P/E	% of assets in cash	Portfolio turnover ²	Average annual total return	Hypothetical investment results ³	Fund (consecutive years on honor roll)
\$4,000	25.8	9.1%	40%	21.2%	\$63,262	Acorn Fund (4)
1,000	27.1	27.5	17	22.5	66,309	Amcap Fund (9)
500	24.0	6.3	36	26.9	97,144	American Capital Pace (6)
NA	32.1	8.2	44	25.0	96,237	Claremont Capital (4)
2,000	18.9	13.2	48	25.8	96,874	Evergreen Fund (3)
NA	22.0	5.9	108	23.8	60,469 ⁴	Fidelity Destiny Portfolio I (5)
1,000	21.9	1.5	96	33.8	175,740	Fidelity Magellan (6)
1,000	32.8	14.5	24	22.9	73,606	Growth Fund of America (5)
250	22.6	2.2	109	23.0	69,255	Mass Capital Development Fund (3)
250	34.0	1.0	153	23.9	75,829	NEL Growth Fund (3)
500	17.9	29.0	27	23.7	82,269	Nicholas Fund (6)
500	24.9	4.0	34	22.2	61,881	O-T-C Securities Fund (6)
25,000	20.7	24.9	19	21.9	60,393	Pennsylvania Mutual Fund
500	22.6	16.5	30	20.6	64,755	Shearson Appreciation (2)
none	26.9	3.2	10	21.3	66,410	Sigma Venture (3)
1,000	33.6	1.2	128	22.6	69,255	Tudor Fund (2)
none	28.3	0.6	112	28.4	125,495	Twentieth Century Select Investors (8)
500	33.2	18.9	126	21.9	60,786	United Vanguard (3)
1,000	25.4	0.9	73	23.4	76,632	Value Line Leveraged Growth (2)

varying with frequency of payments, and spread over contract life. Hypothetical investment result assumes 10.77% load imposed at initiation. ⁴Fund has shareholder-paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. NA: Not applicable.

Stock funds

This list includes closed-end funds, gold funds and funds that invest abroad. To be rated, a fund must have been in existence for at least two market cycles; that is, since Nov. 30, 1980. To obtain more information about a particular fund, first find its

distributor, which is listed next to the fund's name in this table. Then use the table beginning on page 268 to contact the distributor. Closed-end funds, with shares that trade in the open market, have no distributor.



Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months return from income dividends	total return	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
B	D	ABT Growth & Income Trust/MGF	15.4%	27.9%	3.0%	\$140	14%	4.75%	\$1.40†
		ABT Investment-Emerging Growth/MGF	—*	3.9	none	49	29	4.75	1.61‡
		ABT Investment-Security Income/MGF	—*	16.8	1.3	17	-10	4.75	2.02‡
• D	• B	ABT Utility Income Fund/MGF	—*	4.9	6.5	133	22	4.75	1.40‡
B	B	Acorn Fund/Acorn Fund	21.2	16.6	0.6	526	24	none	0.79
		Adam Investors/Conway, Luongo	—*	9.8	6.0	11	-21	none	2.13
D	B	Adams Express/closed end	15.6	14.4	2.6	555	6	NA	0.53
		ADTEK Fund/Adtek	—*	18.9	1.7	40	34	none	1.70
		Advantage Growth Fund/Advest	—*	16.3	0.2	30	120	4.00r	2.40‡
B	C	Affiliated Fund/Lord Abbett	16.6	25.0	4.2	4,004	28	7.25	0.32
D	C	Afuture Fund/Afuture	12.8	-10.4	none	14	-45	none	1.40

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. *Fund rated for two periods only; maximum allowable grade A. †Fund not in operation for full period. ‡Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. r: Includes back end load that reverts to distributor. NA: Not applicable or not available.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Performance in UP in DOWN —markets—		Fund/distributor	Investment results					Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months return		Total assets			
				total return	from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Alger Fund-Growth/Alger	—*	—*	—*	\$6	—	5.00% ^r	\$3.00 [†]
		Alliance Convertible Fund/Alliance	—*	9.5%	5.4%	112	129%	5.50	1.50 ^p
		Alliance Counterpoint Fund/Alliance	—*	16.7	1.4	53	40	5.50	1.66 [†]
D	C	Alliance Dividend Shares/Alliance	14.3%	16.1	3.0	404	8	5.50	0.77 [†]
C	D	Alliance Fund ¹ /Alliance	12.8	17.9	1.3	948	22	5.50	0.61 [†]
D	D	Alliance Global Fund-Canadian Fund ² /Alliance	11.4	22.4	1.3	27	10	5.50	1.28 [†]
		Alliance Global Fund-World Equities ³ /Alliance	—*	16.0	0.3	12	258	5.50	1.94 ^p
		Alliance International Fund/Alliance	—*	23.1	0.1	195	40	5.50	1.14 [†]
		Alliance Technology Fund/Alliance	—*	37.9	none	201	31	5.50	1.13 [†]
C	B	Alpha Fund/Commodore	16.7	15.8	0.7	33	16	8.50	1.50
D	C	AMA Growth Fund-Classic Growth/AMA Advisers	13.9	10.4	1.1	47	41	none	1.47 [†]
		AMA Growth Fund-Global Growth/AMA Advisers	—*	—*	—*	136	—	none	1.26 [†]
		AMA Growth Fund-Gro plus Inc/AMA Advisers	—*	—*	—*	16	—	none	1.76 [†]
B	A	Amcap Fund/American Funds	22.5	25.0	1.6	1,894	26	8.50	0.51
C	A+	American Capital Comstock Fund/American Cap	22.4	26.4	2.1	1,167	17	8.50	0.60
A	D	American Capital Enterprise Fund/American Cap	18.9	14.4	1.4	719	0	8.50	0.60
		American Capital Exchange Fund/††	—*	22.4	1.9	53	5	none	0.71
		American Capital OTC Securities/American Cap	—*	-5.7	0.2	93	-28	8.50	1.16
B	A+	American Capital Pace Fund/American Cap	26.9	26.3	2.3	3,001	35	8.50	0.64
D	A	American Capital Venture Fund/American Cap	22.6	8.4	1.2	333	-20	8.50	0.80
D	A	American Growth Fund/American Growth	16.9	15.1	3.1	78	9	8.50	1.30
C	D	American Investors Growth Fd ⁴ /American Invest	7.4	6.6	none	72	-12	none	1.77 [†]
D	B	American Leaders Fund/Federated	15.2	19.7	3.1	181	56	4.50	1.00 ^p
D	A	American Mutual Fund/American Funds	18.3	16.2	3.7	2,696	37	8.50	0.45
B	B	American National Growth Fund/Securities Mgmt	18.8	24.1	1.0	117	15	8.50	0.96
D	A	American National Income Fund/Securities Mgmt	15.4	16.3	3.0	82	31	8.50	1.00
		American Pension Investors Trust/Amer Pension	—*	12.6	0.3	22	265	none	2.41 [†]
		American Telecommunications-Growth/††	—*	13.6	2.0	44	-4	3.00 ^b	1.08
		American Telecommunications-Income/††	—*	4.3	5.4	92	-12	3.00 ^b	0.96
A	C	AMEV Capital Fund/AMEV Investors	20.1	12.8	0.6	145	38	8.50	1.06
		AMEV Fiduciary Fund/AMEV Investors	—*	10.8	0.1	36	128	4.00	1.50 ^p
A+	C	AMEV Growth Fund/AMEV Investors	24.4	15.7	0.2	256	57	8.50	1.00
• F	• A	Analytic Optioned Equity Fund/Analytic Option	—*	15.2	4.4	86	2	none	1.18
C	D	Armstrong Associates/Armstrong	15.2	19.7	1.7	12	5	none	1.60
A+	C	ASA Limited/closed end	25.6	101.6	3.4	846	94	NA	0.31
		Asia Pacific Fund/closed end	—*	—*	—*	85	—	NA	NA
		Associated Planners Stock Fund/AIM	—*	19.2	0.2	10	106	4.75	2.18 ^p

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Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
A	F	Axe-Houghton Stock Fund/Axe Securities	14.3%	22.6%	none	\$93	-14%	none	\$1.28†
		Babson Enterprise Fund/Jones & Babson	—*	10.3	0.4%	56	-9	none	1.37
C	D	Babson Growth Fund/Jones & Babson	12.8	26.1	0.9	289	14	none	0.75
		Babson Value Fund/Jones & Babson	—*	29.9	3.0	15	178	none	1.20
• A	• C	Bailard, Biehl & Kaiser International/Bailard	—*	23.4	none	109	-22	none	0.92
		Baird Capital Development Fund/Baird	—*	-1.6	0.3	22	NM	3.50%	2.10†
C	B	Baker, Fentress & Co/closed end	17.8	7.1	2.2	469	3	NA	0.53
		Bankers Systems Granit-Gro Stk/Bankers System	—*	23.3	none	11	276	none	3.00†
		Bartlett Capital Trust-Basic Value/Bartlett	—*	12.0	3.9	99	53	none	1.28
		Bascom Hill Investors/Madison	—*	12.9	6.8	9	30	none	1.09
D	B	Beacon Hill Mutual Fund/Beacon Hill	13.1	12.3	none	4	-3	none	3.80
		Bench Portfolios-Blue Chip/Bench	—*	25.7	0.2	15	NM	2.00	1.77p
		Berwyn Fund/Berwyn Fund	—*	34.7	0.7	9	58	1.00b	1.66
		Blue Chip Value Fund/closed end	—*	—*	—*	88	—	NA	NA
B	C	Boston Co Capital Appreciation Fund/Boston Co	15.3	18.4	3.3	567	20	none	0.95‡
		Boston Co Special Growth Fund/Boston Co	—*	2.4	1.6	45	-33	none	1.32‡
D	C	Boston Mutual Fund/Boston Mutual	11.8	16.7	1.6	7	0	††	1.24
		Brandywine Fund/Brandywine	—*	23.7	0.2	99	144	none	1.30
D	C	Bridges Investment Fund/Bridges	—*	16.6	3.7	9	48	1.00b	0.97
B	D	Bull & Bear Capital Growth Fund/Bull & Bear	16.3	5.8	none	94	4	none	2.25‡
D	A	Bull & Bear Equity-Income Fund/Bull & Bear	14.3	12.7	2.8	19	123	none	3.00†
		Calamos Convertible Income ¹ /Calamos	—*	8.4	4.5	26	103	none	1.30
		Calvert Fund-Equity/Calvert	—*	13.1	0.7	11	22	none	1.83‡
		Calvert Fund-Washington Area Growth/Calvert	—*	8.9	none	23	39	6.00r	2.25p†
		Capital Exchange Fund/‡‡	16.5	33.1	1.4	88	20	none	0.76
C	B	Cardinal Fund/Ohio Co	18.3	14.2	2.5	131	61	8.50	0.89
		Carnegie-Cappiello Trust-Growth/Carnegie	—*	7.3	1.0	57	13	4.50	1.42‡
		Carnegie-Cappiello Trust-Total Return/Carnegie	—*	10.8	3.7	91	111	4.50	1.65‡
		Cashman Farrell Value Fund/Tenneco	—*	25.0	2.6	8	43	7.50	1.63
B	D	Central Securities/closed end	17.0	23.7	2.0	137	15	NA	0.84
D	A	Century Shares Trust/Century Shares	15.5	-2.7	2.6	144	-12	none	0.77
B	B	Charter Fund/AIM	20.7	21.1	1.7	99	11	4.75	1.23‡
		Chestnut Street Exchange Fund/‡‡	—*	22.7	1.7	158	-1	none	0.58
		Cigna Aggressive Growth Fund/Cigna	—*	1.9	0.1	22	8	5.00	1.19p†
C	D	Cigna Growth Fund/Cigna	14.6	19.4	1.6	264	12	5.00	0.85‡
		Cigna Value Fund/Cigna	—*	18.3	2.5	63	42	5.00	1.04p†
A	A+	Claremont Capital/closed end	25.0	25.0	3.7	69	14	NA	0.98

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Clemente Global Growth Fund/closed end	—*	—*	—*	\$55	NM	NA	NA
		Colonial Equity Income Trust/Colonial	—*	12.8%	3.4%	17	57%	6.75%	\$1.50p†
B	D	Colonial Growth Shares Trust/Colonial	15.1%	19.7	0.9	98	15	6.75	1.34‡
		Colonial International Equity Index/Colonial	—*	—*	—*	9	—	4.75	1.65p†
		Colonial Small Stock Index Trust/Colonial	—*	—*	0.1	38	—	4.75	1.35p†
F	• C	Colonial Strategic Income-Diversified ¹ /Colonial	—*	17.7	1.4	1,046	-17	6.75	0.99‡
		Colonial Strategic Income-Income Plus ² /Colonial	—*	13.6	2.5	203	-5	6.75	1.04‡
		Colonial US Equity Index Trust/Colonial	—*	—*	0.3	36	—	4.75	1.25p†
A	C	Columbia Growth Fund/Columbia	19.4	15.4	0.9	250	-14	none	1.00‡
		Columbia Special Fund/Columbia	—*	13.6	none	32	28	none	1.54‡
		Common Sense Trust-Growth/American Cap	—*	—*	—*	71	—	8.50	NA
		Common Sense Trust-Gro & Inc/American Cap	—*	—*	—*	26	—	8.50	NA
D	B	Commonwealth Indenture A & B/Trusteed	13.8	12.5	5.2	11	0	7.50	0.19
F	B	Commonwealth Indenture C/Trusteed	12.1	10.9	4.7	43	0	7.50	0.75
C	B	Composite Growth Fund/Murphey Favre	17.3	13.6	3.6	79	13	4.00	1.72‡
		Composite Select-Northwest/Murphey Favre	—*	—*	—*	6	—	4.00	NA
		Composite Select-Value/Murphey Favre	—*	—*	—*	8	—	4.00	NA
		Connecticut Mutual-Growth/Conn Mutual	—*	17.4	1.8	26	39	6.25	1.23
		Connecticut Mutual-Total Return/Conn Mutual	—*	13.4	2.6	50	81	6.25	1.14
A+	F	Constellation Growth Fund/AIM	21.9	26.9	none	149	-2	4.75	1.10
		Continental Equity Plus Fund/Continental	—*	22.1	1.3	12	436	6.50r	2.28‡
		Continental Option Inc Plus II Fd/Continental	—*	16.4	1.8	12	NM	4.00r	2.27‡
		Convertible Holdings-Capital ³ 4/MLPF&S	—*	5.1	6.0	294	-1	NA	0.73
		Convertible Holdings-Income ³ 5/MLPF&S	—*	—*	—*	—	—	—	—
		Copley Fund ⁶ /Copley	—*	5.4	none	31	11	none	1.43
C	C	Corp Leaders Tr Fund Certificates Ser B/Lexington	16.4	28.8	3.6	89	17	†	0.08
		Counsellors Tandem Fund/closed end	—*	—*	—*	87	—	NA	1.17
C	D	Country Capital Growth Fund/Country Capital	13.0	14.8	2.0	79	5	7.50	0.94
		Cowen Income + Growth Fund/Cowen	—*	—*	—*	30	—	5.00r	NA
		Criterion Global Growth Fund/Criterion	—*	—*	—*	11	—	4.75	NA
		Criterion Special-Lowry Market Timing/Criterion	—*	1.7	3.4	36	-62	4.75	1.46p†
		Criterion Sunbelt Growth Fund/Criterion	—*	19.2	0.1	71	-24	8.50	1.54‡
		Cypress Fund/closed end	—*	—*	—*	100	—	NA	NA
• C	• C	Dean Witter American Value Fund ⁷ /Dean Witter	—*	12.7	1.6	125	63	5.00r	1.39‡
		Dean Witter Convertible Secs/Dean Witter	—*	11.9	6.4	1,900	42	5.00r	1.62‡
		Dean Witter Developing Growth Secs/Dean Witter	—*	2.5	0.1	168	-11	5.00r	1.85‡
		Dean Witter Dividend Growth Secs/Dean Witter	—*	17.1	2.5	2,049	89	5.00r	1.52‡

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Dean Witter Natural Resource Dev/Dean Witter	—*	44.7%	1.3%	\$179	366%	5.00% ^r	\$1.74 [‡]
		Dean Witter Option Income Trust/Dean Witter	—*	7.3	1.5	545	-8	5.00 ^r	1.90 [‡]
		Dean Witter World Wide Investment/Dean Witter	—*	22.6	—*	495	52	5.00 ^r	2.10 [‡]
C	A	Decatur Fund-Series I ¹ /Delaware	17.8%	27.1	4.0	1,636	53	8.50	0.63
		Decatur Fund-Series II/Delaware	—*	—*	0.7	134	—	4.75	0.96 ^{p‡}
C	B	Delaware Fund/Delaware	16.8	14.7	2.0	434	2	8.50	0.69
		DelCap Fund-Concept I/Delaware	—*	47.8	none	91	NM	4.75	1.21 ^{p‡}
C	B	Delta Trend Fund/Delaware	17.4	2.4	none	79	-28	8.50	1.20
		Depositors Fund of Boston/††	—*	22.2	1.5	66	3	none	0.77
		Depositors Investment-Capital Growth/Putnam	—*	14.6	0.8	15	21	none	1.71 [‡]
		Depositors Invest-OTC Emerging Gro/Putnam	—*	12.8	none	150	225	6.00	1.46 [‡]
		Diversification Fund/††	—*	25.8	1.3	73	7	none	0.77
		Dividend/Growth-Dividend/Amer Investment	—*	11.5	2.0	5	4	none	2.00 ^{p‡}
B	C	Dodge & Cox Stock Fund/Dodge & Cox	17.8	29.9	2.2	71	54	none	0.66
		Dover Regional Financial Shares/closed end	—*	—*	—*	7	—	NA	1.90
C	C	Drexel Burnham Fund/Drexel	16.2	17.6	3.4	231	66	3.50	1.00
		Drexel Series-Convertible Secs/Drexel	—*	5.1	2.9	40	9	5.00 ^r	1.88 [‡]
		Drexel Series-Emerging Growth/Drexel	—*	-10.3	none	34	-24	5.00 ^r	2.35 [‡]
		Drexel Series-Growth/Drexel	—*	21.8	1.7	42	87	5.00 ^r	2.28 [‡]
		Drexel Series-Option Income/Drexel	—*	13.1	1.3	46	28	5.00 ^r	2.26 [‡]
		Dreyfus Capital Value Fund/Dreyfus	—*	10.5	0.3	30	173	4.50	1.47 ^{p‡}
D	B	Dreyfus Fund/Dreyfus	16.3	19.0	3.5	2,690	1	8.50 [‡]	0.74
		Dreyfus General Aggressive Growth/Dreyfus	—*	9.1	0.4	49	86	none	1.50 ^{p‡}
A	C	Dreyfus Growth Opportunity Fund/Dreyfus	18.4	24.5	1.5	553	9	none	0.95
B	B	Dreyfus Leverage Fund/Dreyfus	18.9	25.1	2.6	588	11	8.50	0.91
		Dreyfus New Leaders Fund/Dreyfus	—*	5.3	0.3	118	48	none	1.30 ^{p‡}
		Dreyfus Strategic Aggressive Investing/Dreyfus	—*	—*	—*	8	—	3.00	NA
		Dreyfus Strategic Investing/Dreyfus	—*	—*	—*	114	—	3.00	NA
B	C	Dreyfus Third Century Fund/Dreyfus	17.1	18.9	3.9	176	0	none	0.99
D	B	Eagle Growth Shares/Fahnestock	11.1	-5.7	0.1	3	-31	8.50	2.26
D	C	Eaton & Howard Stock Fund/Eaton Vance	13.3	14.2	3.5	88	2	7.25	0.86
B	B	Eaton Vance Growth Fund/Eaton Vance	18.2	21.4	1.3	101	18	4.75	0.92
D	B	Eaton Vance Special Equities Fund/Eaton Vance	15.7	-2.4	none	41	-19	7.25	0.99
		Eaton Vance Total Return Trust/Eaton Vance	—*	7.9	5.6	700	23	4.75	0.94 [‡]
		Eclipse Equity Fund/Eclipse	—*	—*	—*	152	—	none	0.92
		Ellsworth Convertible Gro & Inc/closed end	—*	10.4	4.3	57	9	NA	1.30
		Emerging Medical Technology Fund/closed end	—*	-5.6	none	13	-6	NA	2.14

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Fund Ratings/Stock

Performance in UP —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months return total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
C	C	Energy Fund/Neuberger	16.0%	28.0%	3.9%	\$473	23%	none	\$0.88
A	D	Eugex/closed end	23.2	-17.0	none	23	10	NA	NA
		Equitec Siebel Aggressive Growth Fund/Equitec	—*	10.9	5.8	44	616	5.00%r	2.37+
		Equitec Siebel Total Return Fund/Equitec	—*	8.1	2.2	140	131	5.00r	2.24+
		Equity Guard Stock Fund/closed end	—*	—*	—*	22	—	NA	NA
		Equity Strategies Fund/EQSF Advisors	—*	29.1	none	60	581	+	3.69
		EuroPacific Growth Fund/American Funds	—*	34.9	0.8	245	87	8.50	1.27+
A	B	Evergreen Fund/Lieber	25.8	7.8	0.9	780	9	none	1.02p
• C	• A	Evergreen Total Return Fund/Lieber	—*	7.1	5.8	1,730	204	none	1.02
		Evergreen Value Timing Fund/Lieber	—*	—*	—*	23	—	none	NA
		Exchange Fund of Boston/++	15.9	17.3	1.4	72	6	none	0.78
A	F	Fairfield Fund/National Secs	14.7	9.9	0.9	53	-8	8.50	1.24
		Fairmont Fund/Fairmont	—*	11.1	0.5	110	44	none	1.26p
D	C	Farm Bureau Growth Fund/FBL Investment	11.9	5.7	2.5	57	20	none	1.08+
		Federated Exchange Fund/++	—*	19.2	2.1	113	-7	none	0.94
		Federated Growth Trust/Federated	—*	18.3	1.4	144	167	none	1.00p
		Federated High Quality Stock Fund/Federated	—*	21.2	1.3	34	NM	1.75r	0.97p+
		Federated Stock Trust/Federated	—*	22.0	2.5	750	67	none	0.93
		Federated Utility Trust/Federated	—*	—*	—*	7	—	none	0.53
		Fenimore International Fund/Drexel	—*	35.8	none	96	73	5.00r	2.20+
		Fidelity Capital Appreciation/Fidelity	—*	—*	—*	1,114	—	3.00r	1.10p
		Fidelity Congress Street Fund/++	17.8	23.4	2.0	66	13	none	0.67
B	D	Fidelity Contrafund/Fidelity	13.8	26.5	0.9	139	49	none	0.88
		Fidelity Convertible Securities Fund/Fidelity	—*	—*	—*	46	—	none	NA
A	A	Fidelity Destiny Portfolio I/Fidelity	23.8	21.4	2.0	1,475	26	**	0.60
		Fidelity Destiny Portfolio II/Fidelity	—*	29.3	1.4	37	709	**	1.50p
C	A	Fidelity Equity-Income Fund/Fidelity	21.0	16.9	5.6	4,179	35	2.00	0.65
		Fidelity Europe Fund/Fidelity	—*	—*	—*	201	—	3.00r	1.23p
		Fidelity Exchange Fund/++	—*	22.1	2.1	176	6	none	0.60
		Fidelity Freedom Fund/Fidelity	—*	23.6	0.8	1,362	44	none	0.91+
C	C	Fidelity Fund/Fidelity	16.5	19.0	3.4	1,111	27	none	0.60+
		Fidelity Growth & Income/Fidelity	—*	22.3	1.5	1,496	460	2.00	1.21p
		Fidelity Growth Company Fund/Fidelity	—*	6.6	none	179	-20	3.00	1.11
		Fidelity International Growth & Income/Fidelity	—*	—*	—*	53	—	2.00r	NA
A+	A	Fidelity Magellan Fund/Fidelity	33.8	19.9	0.7	10,842	46	3.00	1.08
		Fidelity OTC Portfolio/Fidelity	—*	10.2	0.1	1,199	27	3.00	1.31
		Fidelity Overseas Fund/Fidelity	—*	48.9	none	2,313	27	3.00	1.70

Total return is for 9:50 '76 to 6:50 '87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11:30 '80. • Fund rated for two periods only; maximum allowable grade A. * Fund not in operation for full period. † Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. ‡ Closed to all investors. ** Available only through monthly contractual plan. ‡‡ Exchange fund; not currently selling new shares. p Net of partial absorption of expenses by fund sponsor. b Includes back end load that reverts to fund. r Includes back end load that reverts to distributor. NA Not applicable or not available. NM Not meaningful.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Fidelity Pacific Basin Fund/Fidelity	—*	—*	—*	\$317	—	\$3.00r	\$1.50p
		Fidelity Plymouth-Income & Growth/Fidelity	—*	—*	—*	29	—	4.00	2.15pt
D	A	Fidelity Puritan Fund/Fidelity	16.9%	17.6%	6.3%	4,645	112	none	0.63
		Fidelity Real Estate Investment/Fidelity	—*	—*	—*	104	—	2.00	1.50p
		Fidelity Select-Air Transportation/Fidelity	—*	25.8	none	20	NM	3.00r	1.58p
		Fidelity Select-American Gold/Fidelity	—*	67.5	none	246	NM	3.00r	1.21
		Fidelity Select-Automotive/Fidelity	—*	—*	—*	5	—	3.00r	1.63p
		Fidelity Select-Biotechnology/Fidelity	—*	-2.8	none	69	20	3.00r	1.38
		Fidelity Select-Broadcast & Media/Fidelity	—*	—*	—*	35	NM	3.00r	1.50p
		Fidelity Select-Brokerage & Investment/Fidelity	—*	-8.2	0.1	11	-59	3.00r	1.67
		Fidelity Select-Chemicals/Fidelity	—*	33.2	none	147	246	3.00r	1.52p
		Fidelity Select-Computers/Fidelity	—*	26.0	none	47	333	3.00r	1.58
		Fidelity Select-Defense & Aerospace/Fidelity	—*	-4.2	0.2	4	-62	3.00r	1.54
		Fidelity Select-Electric Utilities/Fidelity	—*	—*	—*	7	—	3.00r	1.53p
		Fidelity Select-Electronics/Fidelity	—*	2.4	none	10	248	3.00r	1.61p
		Fidelity Select-Energy/Fidelity	—*	40.7	none	146	230	3.00r	1.50
		Fidelity Select-Energy Service/Fidelity	—*	40.3	none	189	NM	3.00r	1.50p
		Fidelity Select-Financial Services/Fidelity	—*	-7.8	0.6	60	-71	3.00r	1.57
		Fidelity Select-Food & Agriculture/Fidelity	—*	19.5	none	19	-50	3.00r	1.67
		Fidelity Select-Health Care/Fidelity	—*	15.3	none	400	-2	3.00r	1.39
		Fidelity Select-Industrial Materials/Fidelity	—*	—*	—*	40	—	3.00r	1.56p
		Fidelity Select-Leisure/Fidelity	—*	10.0	0.0	162	-53	3.00r	1.55
		Fidelity Select-Medical Delivery/Fidelity	—*	—*	—*	10	—	3.00r	1.49p
		Fidelity Select-Paper & Forest Products/Fidelity	—*	—*	—*	57	—	3.00r	1.29p
		Fidelity Select-Prec Metals & Minerals/Fidelity	—*	96.3	0.6	402	291	3.00r	1.50
		Fidelity Select-Property & Casualty/Fidelity	—*	-8.8	none	9	24	3.00r	1.63
		Fidelity Select-Retailing/Fidelity	—*	8.4	none	41	7	3.00r	1.54
		Fidelity Select-Savings & Loan/Fidelity	—*	-2.5	none	24	-53	3.00r	1.53
		Fidelity Select-Software & Computer/Fidelity	—*	24.1	none	58	226	3.00r	1.51
		Fidelity Select-Technology/Fidelity	—*	14.2	none	254	6	3.00r	1.44
		Fidelity Select-Telecommunications/Fidelity	—*	28.7	none	28	353	3.00r	1.52
		Fidelity Select-Utilities/Fidelity	—*	-0.9	0.8	103	-8	3.00r	1.45
		Fidelity Special Situations-Initial/Fidelity	—*	13.7	0.5	30	-23	††	1.28pt
		Fidelity Special Situations-Plymouth/Fidelity	—*	—*	—*	250	—	4.00	1.66pt
C	D	Fidelity Trend Fund/Fidelity	14.0	13.7	1.3	815	-2	none	0.52
• B	• C	Fidelity Value Fund/Fidelity	—*	10.8	0.6	126	-8	none	1.07
		Fiduciary Capital Growth Fund/Fiduciary	—*	-6.2	4.6	54	-17	none	1.20

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. • Fund rated for two periods only, maximum allowable grade A. * Fund not in operation for full period. † Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. †† Closed to new investors. p. Net of partial absorption of expenses by fund sponsor. b. Includes back end load that reverts to fund. r. Includes back end load that reverts to distributor. NA. Not applicable or not available. NM. Not meaningful.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Fiduciary Exchange Fund/††	—*	25.8%	1.2%	\$62	9%	none	\$0.78
C	B	Financial Dynamics Fund/Financial Prog	16.7%	19.2	0.3	98	11	none	0.92
		Financial Independence-Growth Fund/MGF	—*	17.5	none	28	114	4.75%	1.78p‡
C	C	Financial Industrial Fund/Financial Prog	16.1	17.2	1.6	449	8	none	0.77
D	A	Financial Industrial Income Fund ¹ /Financial Prog	17.0	14.4	4.1	451	32	none	0.74
		Financial Strategic-Energy/Financial Prog	—*	54.8	1.1	20	NM	none	1.50p
		Financial Strategic-Gold/Financial Prog	—*	103.2	1.0	43	NM	none	1.15
		Financial Strategic-Health Sciences/Financial Prog	—*	20.7	none	19	203	none	1.43
		Financial Strategic-Leisure/Financial Prog	—*	4.0	none	7	4	none	1.50p
		Financial Strategic-Pacific Basin/Financial Prog	—*	69.1	0.2	60	NM	none	1.17
		Financial Strategic-Technology/Financial Prog	—*	40.5	none	32	NM	none	1.09
		Financial Strategic-Utilities/Financial Prog	—*	8.9	1.7	17	760	none	1.33
		First Financial Fund/closed end	—*	-0.1	1.8	83	-6	NA	1.37
D	C	First Investors Discovery Fund/First Investors	11.6	4.6	none	35	-18	8.50	1.30‡
C	F	First Investors Fund for Growth/First Investors	9.8	9.3	none	60	-9	8.50	1.07‡
		First Investors International Securities/First Inv	—*	69.6	0.9	69	NM	8.50	1.75p‡
F	D	First Investors Natural Resources/First Investors	-0.2	59.1	0.8	26	208	8.50	1.70‡
F	A	First Investors Option Fund/First Investors	10.8	19.0	1.7	225	9	7.25	1.01‡
		First Investors Value Fund/First Investors	—*	4.4	3.5	7	-43	8.50	2.24
		Flag Investors Corporate Cash Trust/Brown & Sons	—*	—*	—*	57	—	none	1.30p‡
		Flag Investors International Trust/Brown & Sons	—*	—*	—*	36	—	4.50	1.21p‡
		Flag Investors Telephone Income Trust/††	—*	5.9	6.0	103	0	1.00b†	0.87‡
		Flex-funds-Growth Fund/Flex	—*	5.1	0.4	14	54	none	1.49‡
		Flex-funds-Income & Growth Fund/Flex	—*	-0.4	6.7	5	43	none	1.01p‡
		Flex-funds-Retirement Growth/Flex	—*	10.0	0.5	93	48	none	1.44‡
• B	• D	44 Wall Street Equity Fund/44 Securities	—*	12.3	none	12	-6	1.00	2.41
A	C	44 Wall Street Fund/44 Securities	2.8	-9.5	none	19	-44	0.25r	3.26
F	A	Founders Equity Income Fund/Founders	13.9	18.1	4.6	15	27	none	1.59‡
A	D	Founders Growth Fund/Founders	17.7	18.0	1.0	92	33	none	1.27‡
C	D	Founders Mutual Fund/Founders	13.0	14.9	3.0	228	13	none	0.74‡
A	C	Founders Special Fund/Founders	18.9	16.2	0.8	87	-10	none	1.06
D	D	FPA Capital Fund/Angelos Secs	12.2	20.2	2.2	59	12	8.00	0.89
D	A	FPA Paramount Fund/Angelos Secs	18.5	34.2	2.2	135	5	6.50	1.06
		FPA Perennial Fund/Angelos Secs	—*	13.2	3.2	65	15	6.50	1.11
		France Fund/closed end	—*	39.9	0.1	111	29	NA	1.93
B	D	Franklin Dynatech Fund/Franklin	15.9	12.8	0.5	46	6	4.00	0.89
B	C	Franklin Equity Fund/Franklin	17.8	19.0	1.0	299	85	4.00	0.82

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. • Fund rated for two periods only, maximum allowable grade A. * Fund not in operation for full period. † Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. ‡ Closed to all investors. †† Exchange fund, not currently selling new shares. p. Net of partial absorption of expenses by fund sponsor. b. Includes back end load that reverts to fund. r. Includes back end load that reverts to distributor. NA. Not applicable or not available. NM. Not meaningful. ¹ Formerly Midwest Group-LG Fund for Growth.

Table of distributors, showing addresses and phone numbers, begins on page 268.

1987

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
A	C	Franklin Gold Fund/Franklin	27.5%	112.7%	2.2%	\$274	194%	4.00%	\$1.01
C	C	Franklin Growth Fund/Franklin	13.9	25.9	1.5	87	96	4.00	0.79
D	B	Franklin Option Fund/Franklin	14.2	10.9	2.0	41	113	4.00	0.95
D	A+	Franklin Utilities Fund/Franklin	14.5	5.1	7.1	651	247	4.00	0.62
		Freedom Equity Value Fund/Tucker Anthony	—*	—*	—*	16	—	3.00r	NA
		Freedom Invest-Gold & Govt/Tucker Anthony	—*	9.6	6.3	81	94	3.00r	1.68‡
		Freedom Invest II-Global Fund/Tucker Anthony	—*	—*	—*	65	—	3.00r	2.38‡
		Freedom Invest-Regional Bank/Tucker Anthony	—*	4.8	1.6	52	-17	3.00r	1.48‡
		FT International/Federated	—*	30.8	0.2	119	33	none	1.00p
C	B	Fund of America/American Cap	18.7	30.8	1.7	193	19	8.50	0.72
B	C	Fund of the Southwest/Tenneco	16.8	0.8	none	16	-4	7.50	1.49
C	B	Fundamental Investors/American Funds	16.3	27.0	2.3	691	30	8.50	0.62
		FundTrust-Aggressive Growth/Furman Selz	—*	12.8	0.1	47	119	none	1.16‡
		FundTrust-Growth/Furman Selz	—*	15.1	0.9	44	117	none	1.27‡
		Gabelli Asset Fund/Reich & Tang	—*	29.1	0.7	86	248	2.00b	1.67‡
		Gabelli Equity Trust/closed end	—*	—*	—*	511	—	NA	1.24
		GAM Global Fund/Advanced Info	—*	14.4*	none	27	172	none	2.72
		GAM International Fund/Advanced Info	—*	48.6	0.7	34	45.5	none	2.05‡p
F	• B	Gateway Option Income Fund/Gateway	—*	13.3	2.5	48	26	none	1.49
A	C	General American Investors/closed end	19.3	13.2	1.5	389	8	NA	1.09
D	C	General Securities/Craig-Hallum	13.8	6.2	4.9	17	0	none	1.45
		Gintel Capital Appreciation Fund/Gintel	—*	11.8	1.1	25	19	none	2.10‡
		Gintel ERISA Fund/Gintel	—*	16.8	3.1	103	17	none	1.20‡
		Gintel Fund/Gintel	—*	10.9	2.5	121	-9	none	1.30‡
		GIT Equity Trust-Special Growth/GIT	—*	2.4	0.8	19	4	none	1.50‡
		Global Growth & Income-Growth ¹ /First Boston	—*	—*	—*	99	—	NA	1.10
		Global Growth & Income-Income ¹ /First Boston	—*	—*	—*	99	—	NA	1.10
		Global Yield Fund/closed end	—*	—*	—*	777	—	NA	1.01
• D	• D	Golconda Investors/Bull & Bear	—*	88.6	0.2	62	200	none	2.50‡
		Gradison Established Growth Fund/Gradison	—*	26.5	2.0	58	77	none	1.61‡
		Gradison Opportunity Growth Fund/Gradison	—*	-0.8	0.8	20	18	none	1.73‡
		Greenspring Fund/Greenspring	—*	20.2	4.9	18	26	none	1.46
B	• D	Greenway Fund/AIM	—*	16.1	1.0	20	-3	4.75	1.78‡
A	A	Growth Fund of America/American Funds	22.9	18.7	1.4	1,139	37	8.50	0.66
		Growth Fund of Washington/Washington	—*	7.1	1.3	58	6	5.00	1.80‡
B	C	Growth Industry Shares/Growth Industry	16.7	10.4	1.4	82	-2	none	0.90
		Growth Stock Outlook Trust/closed end	—*	6.4	3.0	140	2	NA	1.14

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
in UP	in DOWN		Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
	—markets—								
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		GT Global Europe/GT Global	—*	48.9%	none	\$18	173%	4.75%	\$2.00†
		GT Global International/GT Global	—*	38.2	none	24	456	4.75	1.90p‡
		GT Global Japan/GT Global	—*	39.1	none	7	118	4.75	2.20p‡
• A	• B	GT Global Pacific/GT Global	—*	40.7	none	60	22	4.75	1.40‡
B	B	Guardian Mutual Fund/Neuberger	18.0%	16.7	3.3%	596	7	none	0.73
B	A	Guardian Park Ave Fund/Guardian	20.4	11.8	2.7	179	35	8.50	0.71
		John Hancock Global Trust/Hancock	—*	23.7	0.0	153	199	8.50	1.50
A	F	John Hancock Growth Trust/Hancock	14.9	9.4	0.6	119	20	8.50	1.03
		John Hancock Special Equities Trust/Hancock	—*	-2.8	none	17	22	8.50	1.50
		H&Q Healthcare Investors/closed end	—*	—*	—*	52	—	NA	1.50
A +	D	Hartwell Growth Fund/Hartwell	21.8	41.4	none	26	136	none	2.90
A +	D	Hartwell Leverage Fund/Hartwell	20.2	30.1	none	46	0	none	1.70
		Heartland Value Fund/Milwaukee Co	—*	12.4	2.6	37	43	4.50	1.70‡
		Heritage Capital Appreciation/James & Assoc	—*	10.0	0.4	53	45	3.00	2.00p‡
		Wayne Hummer Growth Fund/Hummer	—*	14.1*	1.5	21	69	none	1.50p‡
		Hutton Investment-Basic Value/Hutton	—*	14.9	2.0	527	76	5.00r	1.47‡
		Hutton Investment-Growth/Hutton	—*	12.5	1.4	1,662	37	5.00r	1.61‡
		Hutton Investment-Option Income/Hutton	—*	19.2	none	62	-28	5.00r	2.64‡
		Hutton Investment-Precious Metals/Hutton	—*	109.3	0.9	129	397	5.00r	2.53‡
		Hutton Investment-Special Equities/Hutton	—*	4.2	none	266	0	5.00r	2.12‡
		IAI Apollo/IAI Funds	—*	26.4	1.3	25	4	none	1.00
		IAI International Fund/IAI Funds	—*	—*	—*	12	—	none	NA
• B	• C	IAI Regional Fund/IAI Funds	—*	12.7	1.9	100	12	none	0.80
C	B	IAI Stock Fund/IAI Funds	16.9	26.9	1.5	91	27	none	0.80
		IDEX Fund/Idex	—*	26.5	2.3	81	35	††	1.32p
		IDEX II/Idex	—*	25.5	0.5	72	NM	††	1.50
		IDEX III/Idex	—*	—*	—*	10	—	8.50	NA
		IDS Discovery Fund/IDS	—*	5.3	1.4	258	-21	5.00	0.66‡
B	D	IDS Equity Plus/IDS	15.0	22.5	2.1	462	15	5.00	0.56‡
A +	C	IDS Growth Fund/IDS	23.0	17.4	0.5	904	4	5.00	0.61
		IDS International Fund/IDS	—*	39.2	0.4	354	92	5.00	1.07‡
		IDS Managed Retirement Fund/IDS	—*	24.6	1.7	725	170	5.00	0.89‡
A	C	IDS New Dimensions Fund/IDS	20.8	17.5	1.6	729	22	5.00	0.75‡
		IDS Precious Metals Fund/IDS	—*	121.6	0.4	101	788	5.00	1.28‡
C	B	IDS Progressive Fund/IDS	17.0	22.5	2.9	216	9	5.00	0.69‡
D	C	IDS Stock Fund/IDS	13.5	20.7	2.4	1,580	4	5.00	0.57‡
		IDS Strategy Fund-Aggressive Equity/IDS	—*	16.8	none	324	118	5.00r	1.64‡

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest total return	12 months return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		IDS Strategy Fund-Equity/IDS	—*	17.0%	2.7%	\$151	112%	5.00%r	\$1.67‡
		IDS Strategy Fund-Pan Pacific Growth/IDS	—*	—*	—*	53	—	5.00r	NA
		Industrial Series-American Fund/Mackenzie	—*	31.6	0.3	19	194	8.50	1.50p
		Integrated Capital Appreciation Fund/Integrated	—*	11.9	1.6	243	114	5.00r	2.40‡p
		Integrated Equity-Aggressive Growth/Integrated	—*	—*	—*	11	—	4.75	1.65‡
		Integrated Equity-Growth/Integrated	—*	—*	—*	10	—	4.75	1.68‡
		Interstate Capital Growth Fund/Interstate	—*	11.9	none	17	70	2.50	1.86‡
C	B	Investment Company of America/American Funds	17.6%	21.9	2.8	4,578	25	8.50	0.41
		Investment Portfolios-Equity/Kemper	—*	18.6	none	295	32	5.00r	2.27‡
		Investment Portfolios-Option Income/Kemper	—*	11.0	10.9	468	41	5.00r	2.20‡
C	F	Investment Trust of Boston/ITB	12.2	11.8	2.8	73	-1	7.00	1.24‡
A	D	Investors Research Fund/Diversified Sec	20.2	5.3	0.5	89	19	8.50	0.80
		IRI Stock Fund/IRI	—*	8.5	1.6	10	-34	4.50	1.80
F	A	ISI Growth Fund/Sigma	12.3	6.3	none	13	-10	8.50	1.50
F	A+	ISI Trust Fund/Sigma	10.7	10.5	5.4	105	-4	8.50	1.21
		Italy Fund/closed end	—*	16.3	1.6	81	5	NA	1.96
C	B	Ivy Growth Fund/Ivy	18.3	21.5	3.9	204	23	none	1.29
		Ivy International Fund/Ivy	—*	51.7	1.6	16	231	none	2.00
C	A	Janus Investment Fund ¹ /Janus Capital	20.4	7.5	4.9	480	-12	none	1.04
		Janus Value Fund/Janus Capital	—*	7.7	5.7	19	80	none	1.79
		Janus Venture Fund/Janus Capital	—*	11.5	4.4	44	41	none	1.51
D	A	Japan Fund/closed end	20.0	38.5	0.3	704	35	NA	0.70
D	B	JP Growth Fund/Jefferson-Pilot	14.7	13.1	2.8	28	9	8.00	0.89
A	D	Kemper Growth Fund/Kemper	18.3	26.3	0.8	352	17	8.50	0.81
		Kemper International Fund/Kemper	—*	36.3	1.1	237	68	8.50	1.05
F	• A	Kemper Option Income Fund/Kemper	—*	16.1	12.0	582	-18	8.50	0.92
A	C	Kemper Summit Fund/Kemper	20.8	16.2	none	353	3	8.50	0.54
B	D	Keystone Custodian K-2/Keystone	13.8	22.1	1.4	380	28	4.00b	0.98‡
D	D	Keystone Custodian S-1/Keystone	11.7	20.4	1.7	219	86	4.00b	1.12‡
B	D	Keystone Custodian S-3/Keystone	15.4	16.5	1.4	286	4	4.00b	1.05‡
A	D	Keystone Custodian S-4/Keystone	16.8	17.2	0.1	672	-5	4.00b	0.81‡
C	C	Keystone International Fund/Keystone	15.7	50.4	0.7	162	140	4.00b	1.49‡
A	C	Keystone Precious Metals Holdings/Keystone	21.7	107.9	1.8	207	276	4.00b	1.41‡
		Kidder Peabody Equity Income/Kidder	—*	15.3	2.4	84	180	5.00r	2.07‡
		Kidder Peabody MarketGuard Appreciation/Kidder	—*	—*	—*	64	—	†	NA
		Kidder Peabody Special Growth Fund/Kidder	—*	3.8	0.2	31	-22	5.00r	1.45‡
B	D	Kleinwort Benson Transatlantic Grwth ² /Kleinwort	17.1	39.5	none	101	19	none	1.49

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Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Korea Fund/closed end	—*	50.2%	0.1%	\$210	49%	NA	\$1.48
		Landmark Capital Growth Fund/Landmark	—*	—*	—*	19	—	none	a†
		Landmark Growth & Income Fund/Landmark	—*	—*	—*	18	—	none	a†
		Lazard Freres-Equity Fund/Lazard	—*	—*	—*	10	—	none	a†
		Legg Mason Special Investment Trust/Legg Mason	—*	6.9	0.2	56	6	none	2.50p‡
		Legg Mason Total Return Trust/Legg Mason	—*	8.6	1.5	45	-11	none	2.40‡
		Legg Mason Value Trust/Legg Mason	—*	10.1	1.3	869	30	none	2.00‡
B	• B	Lehman Capital Fund/Lehman	—*	13.1	0.6	120	-5	5.00%	1.13
C	C	Lehman Corp/closed end	15.8%	17.5	2.7	1,022	10	NA	0.43
C	C	Lehman Investors Fund/Lehman	16.6	18.7	2.5	472	5	5.00	0.57
• B	• C	Lehman Opportunity Fund/Lehman	—*	12.6	2.1	194	-5	none	1.16
D	D	Lepercq-Istel Fund/Lepercq	11.9	15.8	3.2	28	0	none	1.67‡
		Leverage Fund of Boston/Eaton Vance	—*	19.0	none	29	-4	none	1.25
		Lexington Global Fund/Lexington	—*	—*	—*	13	—	5.00	NA
		Lexington Goldfund/Lexington	—*	86.8	0.5	80	420	none	1.50p‡
A	D	Lexington Growth Fund/Lexington	16.3	21.2	1.5	42	20	none	1.32‡
C	C	Lexington Research Fund/Lexington	15.0	18.8	2.9	145	9	none	0.95‡
		Liberty All-Star Equity Fund/closed end	—*	—*	—*	615	—	NA	2.77
		Lincoln National Convertible Securities/closed end	—*	10.3	4.3	102	6	NA	0.88
		Lindner Dividend Fund/Lindner	—*	11.7	7.6	61	-3	†	1.00
D	A +	Lindner Fund/Lindner	25.7	22.4	7.8	406	4	†	0.58
		LMH Fund/Heine Mgmt	—*	7.2	4.3	77	-9	none	1.31
A	B	Loomis-Sayles Capital Dev Fund/New England	25.2	24.5	0.4	292	26	††	0.74
B	• C	Lord Abbett Developing Growth/Lord Abbett	—*	6.8	none	254	-20	7.25	0.90
		Lord Abbett Fundamental Value/Lord Abbett	—*	—*	0.8	22	—	7.25	NA
		Lord Abbett Value Appreciation/Lord Abbett	—*	7.2	2.8	290	-14	7.25	0.89
C	C	Mairs & Power Growth Fund/Mairs & Power	15.3	12.1	1.2	26	2	none	1.03
• D	• B	Mairs & Power Income Fund/Mairs & Power	—*	13.6	4.1	7	33	none	1.20
		Malaysia Fund/closed end	—*	—*	—*	80	—	NA	NA
B	C	Manhattan Fund/Neuberger	18.2	22.5	0.8	525	82	none	1.10‡
C	D	Horace Mann Growth Fund/Mann	14.6	20.4	1.8	0	-100	†	NA
A	B	Mass Capital Development Fund/Mass Finl	23.0	14.0	1.2	1,098	6	7.25	0.71
B	D	Mass Financial Development Fund/Mass Finl	18.2	16.8	1.5	303	5	7.25	0.78
		Mass Financial Emerging Growth Trust/Mass Finl	—*	6.2	none	318	6	7.25	1.39
		Mass Financial Special Fund/Mass Finl	—*	20.9	0.3	154	19	7.25	1.31
B	D	Mass Investors Growth Stock Fund/Mass Finl	15.0	18.4	1.7	1,055	2	7.25	0.50
C	D	Mass Investors Trust/Mass Finl	14.3	25.4	2.6	1,484	12	7.25	0.49

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
B	B	Mathers Fund/Mathers	18.9%	23.3%	2.2%	\$161	-1%	none	\$0.77
• A	• D	Medical Technology Fund/AMA Advisers	—*	6.1	none	59	-39	none	1.90†
F	A	Meeschaert Capital Accumulation/Meeschaert	12.6	10.3	2.5	43	32	4.00b,r%	1.12‡
		Meridian Fund/Meridian	—*	-1.9	0.5	19	2	none	1.70
C	• B	Merrill Lynch Basic Value Fund/ML Funds	—*	21.8	3.2	1,159	41	6.50	0.61
C	B	Merrill Lynch Capital Fund/ML Funds	16.7	18.6	1.7	731	28	6.50	0.62
		Merrill Lynch EuroFund/ML Funds	—*	—*	—*	488	—	4.00r	2.07p‡
		Merrill Lynch Fund for Tomorrow/ML Funds	—*	9.0	0.5	893	41	4.00r	1.87p‡
		Merrill Lynch International Holdings/ML Funds	—*	27.4	1.6	359	27	6.50	1.41
		Merrill Lynch Natural Resources Trust/ML Funds	—*	69.9	0.4	954	402	4.00r	0.96‡
D	• A	Merrill Lynch Pacific Fund/ML Funds	—*	59.8	0.4	482	45	6.50	0.98p
		Merrill Lynch Retirement Equity/ML Funds	—*	—*	0.6	659	—	4.00r	NA
• D	• D	Merrill Lynch Special Value/ML Funds	—*	-7.2	0.4	141	23	6.50	1.19p
		MetLife-State Street Cap Appreciation/MetLife	—*	—*	0.2	24	—	4.50	1.50p‡
		MetLife-State Street Equity Income/MetLife	—*	—*	1.9	31	—	4.50	1.50p‡
		MetLife-State Street Equity Investment/MetLife	—*	—*	1.1	22	—	4.50	1.50p‡
		Mexico Fund/closed end	—*	227.6	3.0	207	180	NA	1.74
		MFS Lifetime Capital Growth Trust/Mass Finl	—*	—*	0.1	63	—	6.00r	2.50‡
		MFS Lifetime Dividends Plus Trust/Mass Finl	—*	—*	3.4	87	—	6.00r	2.44‡
		MFS Lifetime Emerging Growth Trust/Mass Finl	—*	—*	—*	51	—	6.00r	2.50‡
		MFS Lifetime Global Equity Trust/Mass Finl	—*	—*	—*	22	—	6.00r	2.50‡
		MFS Lifetime Managed Sectors Trust/Mass Finl	—*	—*	—*	72	—	6.00r	2.50‡
		MFS Managed Sectors Trust/Mass Finl	—*	12.2	0.7	202	300	4.75	1.19‡
D	B	MidAmerica High Growth Fund/MidAmerica	13.9	19.0	1.3	14	5	8.50	1.00
D	B	MidAmerica Mutual Fund/MidAmerica	14.8	21.7	3.0	38	10	8.50	0.93
		Midas Gold Shares & Bullion/IRI	—*	79.6	none	17	526	6.00	1.97‡
		Mimlic Investors Fund I/Mimlic	—*	17.6	none	8	22	5.00	1.00p
		Monitrend Value Fund ¹ /Pallas	—*	-3.6	1.4	30	31	3.50	2.30‡
		Morgan Grenfell SmallCap Fund/closed end	—*	—*	—*	48	—	NA	1.48
		Morison Asset Allocation Fund/Morison Asset	—*	—*	—*	18	—	7.25	1.00p‡
		Mutual Beacon Fund/Heine Secs	12.1	26.7	1.3	113	78	none	1.20
C	C	Mutual Benefit Fund ² /Mutual Benefit	14.7	17.0	1.8	19	22	8.50	1.32
D	D	Mutual of Omaha Growth Fund/Mutual of Omaha	11.4	12.4	1.1	44	38	8.00	1.11
• C	• A	Mutual Qualified Income Fund/Heine Secs	—*	22.6	3.0	760	40	none	0.68
C	A+	Mutual Shares Corp/Heine Secs	22.1	20.4	2.4	1,905	41	none	0.70
C	C	National Aviation & Technology/AFA	15.4	20.6	1.8	92	4	4.75	1.23
D	F	National Growth Fund/National Secs	9.7	6.2	1.9	71	-9	7.25	1.11

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Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
D	D	National Industries Fund/National Inds	10.6%	11.5%	0.9%	\$32	2%	none	\$1.68
		National Real Estate-Stock Fund/National Secs	—*	3.5	3.5	20	68	7.75%	1.50p‡
D	C	National Stock Fund/National Secs	14.8	14.6	5.2	229	-19	7.25	0.98
		National Telecommunications & Technology/AFA	—*	14.9	1.1	59	-19	4.75	1.75
D	B	Nationwide Fund/Nationwide	13.0	20.4	2.2	467	26	7.50	0.62
C	B	Nationwide Growth Fund/Nationwide	17.6	18.9	2.9	235	41	7.50	0.65
		Nautilus Fund/Eaton Vance	—*	9.6	none	21	1	4.75	1.78
B	F	Neuwirth Fund/National Finl	14.4	3.4	none	31	-2	none	1.78‡
		New Beginning Growth Fund/Sit	—*	17.6	0.2	56	38	none	1.24
		New Beginning Income & Growth Fund/Sit	—*	18.4	2.2	10	110	none	1.50
		New Economy Fund/American Funds	—*	17.1	1.6	970	27	8.50	0.68
D	A	New England Equity Inc Fund ¹ /New England	15.9	12.6	2.8	48	54	6.50	1.19‡
A	B	New England Growth Fund ² /New England	23.9	25.2	0.4	472	51	6.50	0.84‡
B	B	New England Retirement Equity/New England	18.1	22.2	0.3	153	50	6.50	0.90‡
B	B	New Perspective Fund/American Funds	19.4	39.2	1.8	1,119	29	8.50	0.66
A	C	New York Venture Fund/Venture	21.8	18.7	0.9	230	38	8.50	0.96
B	C	Newton Growth Fund/Newton	17.5	26.6	1.3	48	37	none	1.23‡
A	F	Niagara Share Corp/closed end	15.5	23.3	2.0	218	16	NA	1.04
		Nicholas Applegate Fund/closed end	—*	—*	—*	97	—	NA	NA
B	A +	Nicholas Fund/Nicholas	23.7	11.8	2.9	1,294	19	none	0.86
		Nicholas II/Nicholas	—*	16.9	2.0	407	20	none	0.78
		Nicholas Limited Edition/Nicholas	—*	—*	—*	7	—	none	NA
		Noddings Convertible Strategies/Noddings	—*	7.6	3.6	12	75	none	1.70
		Nomura Pacific Basin Fund/Nomura	—*	61.6	none	103	130	none	1.45
• B	• C	Northeast Investors Growth/Northeast Inv	—*	16.1	0.2	30	90	none	1.80
• C	• C	Nova Fund/Nova	—*	25.2	none	33	25	8.50r	1.70
D	B	Old Dominion Investors' Trust/Investors Secs	14.3	20.6	4.7	7	17	8.50	1.25
		Olympic Trust-Series B/Olympic Trust	—*	6.5	0.2	9	93	none	1.00p
B	D	Omega Fund/International	14.8	23.2	1.4	38	3	5.50	1.47‡
C	D	One Hundred Fund/Berger	14.3	10.4	none	12	-3	none	1.71‡
D	B	One Hundred One Fund/Berger	14.0	10.2	3.3	4	68	none	NA
		Oppenheimer Blue Chip Fund/Oppenheimer Inv	—*	—*	1.2	17	—	4.75	1.50‡
		Oppenheimer Capl Appreciation/Oppenheimer Inv	—*	0.1	0.9	9	93	none	0.75
		Oppenheimer Challenger Fund/Oppenheimer Inv	—*	6.1	none	14	-8	2.50	3.33
• C	• D	Oppenheimer Directors Fund/Oppenheimer Inv	—*	11.4	2.0	200	-30	8.50	1.07
C	B	Oppenheimer Eq Income Fund/Oppenheimer Inv	17.6	20.6	4.9	731	92	8.50	0.92
B	F	Oppenheimer Fund/Oppenheimer Inv	11.7	8.7	0.2	274	-4	8.50	1.00

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Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
A+	D	Oppenheimer Global Fund ¹ /Oppenheimer Inv	21.1%	34.6%	0.3%	\$517	36%	\$8.50	\$1.42
		Oppenheimer Gold & Spec Mins/Oppenheimer Inv	—*	92.2	1.1	77	163	8.50	1.41
		Oppenheimer OTC Fund/Oppenheimer Inv	—*	—*	0.1	31	—	4.75	1.50†
F	• A	Oppenheimer Premium Income/Oppenheimer Inv	—*	25.4	1.4	366	-13	8.50	0.87
		Oppenheimer Regency Fund/Oppenheimer Inv	—*	13.9	1.7	179	5	8.50	1.11
C	B	Oppenheimer Special Fund/Oppenheimer Inv	18.3	9.8	3.8	690	-11	8.50	0.93
		Oppenheimer Target Fund/Oppenheimer Inv	—*	-3.0	0.5	114	-21	8.50	1.16
A	C	Oppenheimer Time Fund/Oppenheimer Inv	21.7	16.5	1.1	350	17	8.50	0.94
C	D	Oppenheimer Total Return ² /Oppenheimer Inv	11.9	21.4	4.7	281	9	4.75	0.88
B	A	Over-the-Counter Securities Fund/Review	22.2	1.8	1.1	304	16	8.00	0.85
		Pacific Horizon-Aggressive Growth/Dreyfus	—*	14.1	0.1	242	136	4.50	1.20p†
		PaineWebber America Fund/PaineWebber	—*	11.0	4.0	103	8	8.50	1.15
		PaineWebber Atlas Fund/PaineWebber	—*	34.4	5.0	322	48	8.50	1.39
		PaineWebber Master Ser Asset Alloc/PaineWebber	—*	—*	1.1	721	—	5.00r	2.03p†
		PaineWebber Master Series Growth/PaineWebber	—*	—*	0.4	129	—	5.00r	2.13p†
		PaineWebber Olympus Fund/PaineWebber	—*	12.9	0.7	128	2	8.50	1.15
		Paribas Trust-Quantus Equity/Paribas	—*	12.1	0.1	18	281	4.00r	2.60p†
		Parnassus Fund/Parnassus	—*	20.7	0.1	6	142	3.50	2.58
B	A	Partners Fund/Neuberger	21.3	17.0	2.1	758	76	none	0.86†
		PBHG Growth Fund/Tenneco	—*	30.2	0.5	28	64	7.50	1.31
D	C	Penn Square Mutual Fund/Penn Square	14.9	22.4	3.5	231	9	none	0.80
B	A	Pennsylvania Mutual Fund/Penn Mutual	21.9	10.4	1.8	363	-9	1.00b	0.98
		Permanent Portfolio Fund/Permanent	—*	19.0	none	88	23	none	1.17†
B	D	Petroleum & Resources Corp/closed end	15.5	38.8	3.7	303	31	NA	0.66
D	C	Philadelphia Fund/Fahnestock	14.9	12.9	2.1	113	-5	8.50	0.91
D	A	Phoenix Convertible Fund/Phoenix	16.9	19.0	4.2	156	61	8.50	0.37
		Phoenix Growth Fund/Phoenix	19.0	21.0	1.7	527	140	8.50	0.67
		Phoenix Stock Fund/Phoenix	—*	20.2	1.6	127	35	8.50	1.61
		Phoenix Total Return ³ /Phoenix	—*	14.6	2.9	18	203	4.75	1.33†
		Pierpont Cap Appreciation Fund/Morgan Stanley	—*	—*	—*	21 ⁴	NA	none	0.99p
		Pierpont Equity Fund/Morgan Stanley	—*	—*	—*	14 ⁴	NA	none	0.99p
D	B	Pilgrim MagnaCap Fund/Pilgrim	16.6	13.5	2.3	245	31	4.75	1.40†
		Pilgrim Regional Bankshares/closed end	—*	-5.3	2.1	99	-8	NA	1.10
		Pilgrim Rising Profitability Fund/Pilgrim	—*	—*	—*	11	—	4.75	1.20†
C	D	Pilot Fund/Criterion	15.0	22.9	0.8	78	6	4.75	1.22†
D	C	Pine Street Fund/National Finl	14.3	13.2	2.5	71	7	none	1.14†
C	C	Pioneer Fund/Pioneer	16.0	24.1	1.9	1,576	8	8.50	0.68

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. • Fund rated for two periods only; maximum allowable grade A. * Fund not in operation for full period. † Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p Net of partial absorption of expenses by fund sponsor. b Includes back end load that reverts to fund. r Includes back end load that reverts to distributor. NA Not applicable or not available. ¹ Formerly Oppenheimer AIM Fund. ² Formerly Hamilton Funds. ³ Formerly P.C. Capital Fund. ⁴ Assets at 5/31/86.

Table of distributors, showing addresses and phone numbers, begins on page 268.

1987

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
B	A	Pioneer II/Pioneer	21.4%	23.1%	2.2%	\$4,070	41%	8.50%	\$0.72
		Pioneer Three/Pioneer	—*	11.0	2.0	713	24	8.50	0.68
		T Rowe Price Capital Appreciation/Price	—*	21.8	1.2	81	NM	none	1.20p
		T Rowe Price Equity Income Fund/Price	—*	21.5	4.5	220	232	none	1.10p
		T Rowe Price Growth & Income Fund/Price	—*	13.9	5.3	472	18	none	1.04
C	D	T Rowe Price Growth Stock Fund/Price	11.9	21.6	1.5	1,561	14	none	0.59
• A	• C	T Rowe Price International Stock Fund/Price	—*	47.2	0.6	1,004	61	none	1.10
		T Rowe Price New America Growth Fund/Price	—*	1.9	0.4	98	-1	none	1.20p
A	D	T Rowe Price New Era Fund/Price	17.6	32.3	1.7	766	44	none	0.73
B	D	T Rowe Price New Horizons Fund/Price	17.3	3.1	0.1	1,217	-20	none	0.73
		Primary Trend Fund/Primary Trend	—*	—*	—*	31	—	none	1.32
		Principal Preservation-Div Achievers/Ziegler	—*	—*	—*	8	—	4.50	NA
		Principal Preservation-S&P 100 Plus/Ziegler	—*	26.7	2.7	17	102	4.50	a
C	A	Princor Capital Accumulation Fund/Princor	17.2	21.0	1.4	94	68	8.50	1.00
B	D	Princor Growth Fund/Princor	15.8	21.2	1.1	37	40	8.50	1.00
		Progressive Income Equity/closed end	—*	—*	—*	54	—	NA	NA
		Prudential-Bache Equity Fund/Pru-Bache	—*	21.2	1.4	563	99	5.00r	1.52+
		Prudential-Bache Global Fund/Pru-Bache	—*	33.5	0.1	831	176	5.00r	1.86p+
		Prudential-Bache Growth Opportunity/Pru-Bache	—*	12.0	none	178	74	5.00r	1.46p+
		Prudential-Bache IncomVertible/Pru-Bache	—*	12.8	5.4	529	100	5.00r	1.99+
		Prudential-Bache Option Growth Fund/Pru-Bache	—*	19.1	2.0	87	17	5.00r	1.55+
		Prudential-Bache Research Fund/Pru-Bache	—*	19.5	0.8	477	151	5.00r	1.94+
		Prudential-Bache Utility Fund/Pru-Bache	—*	6.1	5.9	1,682	101	5.00r	1.42+
		Putnam Capital Fund/Putnam	—*	10.0	0.2	14	-3	†	0.57
D	A	Putnam Convertible Income-Growth/Putnam	16.8	11.7	5.4	1,280	99	8.50	0.83
• D	• D	Putnam Energy-Resources Trust/Putnam	—*	36.6	2.6	117	268	8.50	1.77
C	B	Putnam Fund for Growth & Income/Putnam	17.6	22.0	4.6	1,705	50	8.50	0.53
		Putnam Health Sciences Trust/Putnam	—*	11.8	0.9	316	5	8.50	1.00
		Putnam Information Sciences Trust/Putnam	—*	31.5	0.2	145	-1	8.50	1.14p
C	B	Putnam International Equities Fund/Putnam	20.8	30.9	0.5	612	90	8.50	1.19p
B	D	Putnam Investors Fund/Putnam	15.8	14.9	1.9	1,020	-12	8.50	0.49
D	• B	Putnam Option Income Trust/Putnam	—*	20.8	0.7	1,244	4	8.50	0.73
		Putnam Option Income Trust II/Putnam	—*	12.8	3.2	1,790	89	8.50	0.82
		Putnam OTC Emerging Growth Fund/Putnam	—*	12.8	none	150	164	6.75	1.46+
B	B	Putnam Vista Basic Value/Putnam	19.8	23.5	2.9	265	26	8.50	1.02
A	C	Putnam Voyager Fund/Putnam	21.1	17.9	0.6	574	35	8.50	0.89
A+	C	Quasar Associates/Alliance	25.3	1.8	none	133	-35	††	1.16p

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. • Fund rated for two periods only; maximum allowable grade A. * Fund not in operation for full period. † Closed to all investors. ‡ Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. †† Closed to new investors. p. Net of partial absorption of expenses by fund sponsor. r. Includes back end load that reverts to distributor. NA. Not applicable or not available. NM. Not meaningful. a. All expenses absorbed by fund sponsor.

Table of distributors, showing addresses and phone numbers, begins on page 268.

1987

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Quest for Val Dual Purpose-Cap ¹ /Oppenheimer	—*	—*	—*	\$425	—	NA	\$0.75
• C	• A	Quest for Val Dual Purpose-Inc ¹ /Oppenheimer	—*	—*	—*				
		Quest for Value Fund/Oppenheimer Cap	—*	11.0%	0.9%	111	50%	none	2.17
		Regional Financial Shares Investment/closed end	—*	-1.9	2.4	96	-7	NA	1.05
		Reich & Tang Equity Fund/Reich & Tang	—*	13.8	1.5	121	16	none	1.21p
		Reserve Equity-Contrarian ² /Resrv	—*	17.9	1.2	28	30	none	1.50
		Righttime Fund/Lincoln Invest	—*	5.5	none	212	69	none	1.46‡
		Rochester Tax Managed Fund/Rochester	—*	-0.3	none	24	-26	8.50%	NA
		LF Rothschild Rising Dividends/Rothschild	—*	—*	0.5	28	—	3.00	1.50‡
		Royce Fund-Value/Quest	—*	9.1	0.5	166	3	1.00b,r	1.98‡
		Royce Value Trust/closed end	—*	—*	—*	114	—	NA	1.79
		RPF of America-Equity Fund/Venture	—*	22.9	0.2	19	55	5.00b	1.25‡
		Rushmore Stock Mkt Index Plus/Rushmore	—*	25.3	1.9	18	NM	none	0.75
C	C	Safeco Equity Fund/Safeco	15.8%	15.8	2.0	68	13	none	0.95
C	B	Safeco Growth Fund/Safeco	17.5	11.3	1.4	78	-2	none	0.85
D	A	Safeco Income Fund/Safeco	16.9	14.7	4.6	291	213	none	0.88
		St Clair Equity-Capital Growth Fund/Fairfield	—*	—*	—*	6	—	none	0.46p
		Salem Funds-Growth/Fiduciary	—*	16.7	1.1	26	138	none	1.97‡
		SBSF/SBSF Fund	—*	8.3	2.6	99	7	none	1.13
		Scandinavia Fund/closed end	—*	21.9	none	72	22	NA	1.90
		Schild Portfolios Aggressive Growth/Schild Secs	—*	-4.8	none	7	217	4.00	2.50‡
		Schild Portfolios Value/Schild Secs	—*	-3.4	none	6	154	4.00	2.50‡
		Sci/Tech Holdings/ML Funds	—*	18.5	0.5	298	-3	6.50	1.44
B	C	Scudder Capital Growth Fund/Scudder	19.1	17.1	1.2	546	9	none	0.95
C	B	Scudder Development Fund/Scudder	20.2	7.3	none	387	8	none	1.29
		Scudder Global Fund/Scudder	—*	—*	—*	102	—	none	1.68p
B	D	Scudder Growth & Income Fund/Scudder	14.7	14.5	3.9	472	20	none	0.83
C	B	Scudder International Fund/Scudder	19.0	39.4	1.1	807	26	none	1.09p
		Scudder New Asia Fund/closed end	—*	—*	—*	78	—	NA	NA
		Second Fiduciary Exchange Fund/‡‡	—*	21.9	1.5	75	3	none	0.76
		Security Action Fund/Security	—*	9.0	2.9	118	56	**	0.80
A	D	Security Equity Fund/Security	16.9	17.3	2.2	276	3	8.50	0.67
D	C	Security Investment Fund/Security	14.1	16.0	5.0	110	2	8.50	0.78
		Security Omni Fund/Security	—*	-5.9	7.3	23	-15	8.50	1.48
A	D	Security Ultra Fund/Security	19.2	5.7	4.4	101	-15	8.50	0.78
D	B	Selected American Shares/Prescott, Ball	15.2	16.1	2.8	302	96	none	0.85‡
D	D	Selected Special Shares/Prescott, Ball	12.1	20.8	2.2	—	10	none	1.08‡

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. • Fund rated for two periods only; maximum allowable grade A. † Fund not in operation for full period. ‡ Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. ** Available only through monthly contractual plan. ‡‡ Exchange fund, not currently selling new shares. p. Net of partial absorption of expenses by fund sponsor. b. Includes back end load that reverts to fund. r. Includes back end load that reverts to distributor. NA Not applicable or not available. NM. Not meaningful. Dual fund. Performance, asset and expense data are on capital and income shares treated as a unit. † Formerly Reserve Equity-Dreman Contrarian.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
A	D	Seligman Capital Fund/Seligman	20.7%	14.1%	none	\$235	6%	4.75%	\$0.78
B	C	Seligman Common Stock Fund/Seligman	17.1	17.5	3.1%	633	9	4.75	0.55
		Seligman Communications & Info/Seligman	—*	22.9	none	53	0	4.75	1.68
B	D	Seligman Growth Fund/Seligman	14.3	14.1	1.5	718	-3	4.75	0.57
C	A	Sentinel Common Stock Fund/Equity Services	17.5	18.8	3.3	605	18	8.50	NA
A	D	Sentinel Growth Fund/Equity Services	17.4	20.3	1.8	66	10	8.50	0.79
B	C	Sentry Fund/Sentry	16.3	11.8	1.9	50	9	8.00	0.72
D	A+	Sequoia Fund/Ruane Cunniff	22.8	13.6	3.5	800	13	††	1.00
		Shearson Aggressive Growth Fund/Shearson	—*	21.0	none	139	7	5.00	1.10
A	B	Shearson Appreciation Fund/Shearson	20.6	20.2	1.3	515	85	5.00	1.00
		Shearson Fundamental Value Fund/Shearson	—*	24.4	4.0	109	-8	5.00	1.00
		Shearson Global Opportunities/Shearson	—*	18.9	0.5	269	-9	5.00	1.60p
		Shearson Lehman-Convertible Secs/Shearson	—*	—*	2.9	228	—	5.00r	1.60p†
		Shearson Lehman-Equity Growth/Shearson	—*	11.6	1.6	179	46	5.00b,r	1.00†
		Shearson Lehman-Equity Plus/Shearson	—*	-3.4	1.0	33	18	5.00b,r	1.50†
		Shearson Lehman-International Equity/Shearson	—*	23.4	none	185	12	5.00r	2.65†
		Shearson Lehman-Option Income/Shearson	—*	8.6	1.9	946	102	5.00r	1.73†
		Shearson Lehman-Strategic Investment/Shearson	—*	—*	—*	176	—	5.00r	2.50†
D	C	Sherman, Dean Fund/Sherman, Dean	10.7	87.3	none	3	65	none	3.38†
D	D	Sierra Growth Fund/Sierra	8.7	13.7	none	4	-14	none	2.75
B	B	Sigma Capital Shares/Sigma	19.7	8.6	1.6	99	-3	8.50	0.91†
C	B	Sigma Investment Shares/Sigma	15.7	17.2	2.8	100	20	8.50	0.94†
B	C	Sigma Special Fund/Sigma	17.6	26.5	1.1	21	0	8.50	1.25†
B	B	Sigma Venture Shares/Sigma	21.3	0.9	0.4	75	-19	8.50	0.96†
		Sigma World Fund/Sigma	—*	35.2	none	11	53	8.50	2.00†
B	C	Smith Barney Equity Fund/Smith Barney	16.9	20.0	2.3	90	13	4.00	0.85†
D	A	Smith Barney-Income & Growth/Smith Barney	17.9	21.8	5.5	659	151	5.75	0.56
C	A	SoGen International Fund/Sogen	19.6	24.8	none	102	70	4.25	1.47†
		Sound Shore Fund/Reich & Tang	—*	12.2	0.9	31	52	none	1.45†
D	A+	Source Capital/closed end	22.2	15.9	6.3	308	3	NA	0.97
		Southeastern Growth Fund/Wheat First	—*	4.1	none	119	37	5.00r	2.16†
D	A	Sovereign Investors/Sovereign	15.9	9.3	4.1	45	39	5.00	0.70
A+	D	Spectra Fund/closed end	21.3	10.9	none	6	-14	NA	2.39
C	D	State Bond Common Stock Fund/State Bond	11.7	19.4	1.2	37	6	8.50	0.93
D	B	State Bond Diversified Fund/State Bond	14.6	17.6	2.8	20	30	8.50	0.82
B	D	State Bond Progress Fund/State Bond	15.1	8.5	0.9	9	-2	8.50	1.06
		State Street Exchange Fund/††	—*	23.8	1.8	182	14	none	0.64

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. *Fund not in operation for full period. †Fund has shareholder paid 1.2b-1 plan exceeding 0.1% (hidden load) pending or in force. ††Closed to new investors. ‡Exchange fund, not currently selling new shares. p Net of partial absorption of expenses by fund sponsor. b Includes back end load that reverts to fund. r Includes back end load that reverts to distributor. NA Not applicable or not available.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		State Street Growth Fund/††	—*	22.1%	2.0%	\$297	6%	1.00%r	\$0.55
B	C	State Street Investment Corp/State Street	16.0%	25.4	2.3	648	10	1.00+r	0.50
D	F	Steadman American Industry Fund/Steadman Secs	3.1	-5.7	none	7	-15	none	6.26‡
F	B	Steadman Associated Fund/Steadman Secs	7.0	-13.2	2.2	20	-22	none	1.55‡
F	D	Steadman Investment Fund/Steadman Secs	5.8	12.1	none	9	-9	none	3.97‡
D	F	Steadman Oceanographic Tech & Gro/Steadman	4.9	4.5	none	5	-7	none	5.81‡
A+	D	SteinRoe & Farnham Cap Opportunity/Stein Roe	19.6	19.0	0.1	320	46	none	0.95
A	F	SteinRoe & Farnham Stock Fund/Stein Roe	15.1	23.7	1.2	308	-99	none	0.67
		SteinRoe Discovery Fund/Stein Roe	—*	-3.2	0.3	66	-51	none	1.35
		SteinRoe Prime Equities/Stein Roe	—*	—*	—*	14	—	none	NA
• A	• C	SteinRoe Special Fund/Stein Roe	—*	16.6	1.8	272	-22	none	0.92
• C	• D	SteinRoe Universe Fund/Stein Roe	—*	5.0	1.0	94	-18	none	1.22
		Stock Accumulation Fund/Investors Mgmt	—*	8.1	1.7	8	33	5.00	1.16
		Strategic Capital Gains/Strategic	—*	-28.2	none	4	-56	8.50	1.54
A	• F	Strategic Investments Fund/Strategic	—*	89.1	5.7	108	74	8.50	1.46
		Strategic Silver Fund/Strategic	—*	47.4	none	37	125	8.50	1.54
D	C	Stratton Growth Fund/Stratton	14.9	5.7	1.2	20	3	none	1.50
D	A+	Stratton Monthly Dividend Shares/Stratton	12.2	2.3	8.1	44	32	none	1.24
		Strong Opportunity Fund/Strong	—*	15.5	1.0	167	875	2.00	1.70
		Summit Investors' Fund/AIM	—*	18.1	0.5	112	79	**	1.11
B	D	Surveyor Fund/Alliance	15.0	7.9	0.3	107	0	5.50	1.28‡
		Taiwan Fund/closed end	—*	—*	—*	32	—	NA	NA
		TCW Convertible Securities Fund/closed end	—*	—*	—*	195	—	NA	0.95
A	D	Technology Fund/Kemper	16.9	27.5	1.1	702	11	8.50	0.64
		Templeton Emerging Markets/closed end	—*	—*	—*	112	—	NA	NA
		Templeton Foreign Fund/Securities Fund	—*	44.5	1.7	276	54	8.50	0.79
		Templeton Global I/Securities Fund	—*	16.4	2.3	337	5	†	0.66
		Templeton Global II/Securities Fund	—*	8.7	2.2	587	13	8.50	0.76
C	A	Templeton Growth Fund/Securities Fund	20.1	25.9	1.2	1,447	-19	8.50	0.83
C	• B	Templeton World Fund/Securities Fund	—*	20.0	2.5	4,199	31	8.50	0.67
		Thomson McKinnon Investment-Global/Thomson	—*	—*	—*	105	—	5.00r	2.50‡
		Thomson McKinnon Invest-Growth/Thomson	—*	29.5	1.4	419	121	5.00r	1.70‡
		Thomson McKinnon Invest-Oppor/Thomson	—*	5.7	none	66	0	5.00r	1.80‡
		Tocqueville Fund/Tucker Anthony	—*	—*	—*	10	—	none	2.28p‡
B	D	Tri-Continental Corp/closed end	15.7	17.1	2.8	1,590	9	NA	0.54
A	B	Tudor Fund/Weiss, Peck	22.6	18.7	none	213	12	none	0.99
		20th Century Gifttrust Investors/20th Century	—*	13.7	none	11	56	1.00c	1.01

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in —markets— DOWN		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
A +	C	20th Century Growth Investors/20th Century	27.9%	25.5%	0.5%	\$1,416	34%	none	\$1.01
A +	B	20th Century Select Investors/20th Century	28.4	18.0	1.0	2,975	50	none	1.01
		20th Century Ultra Investors/20th Century	—*	19.3	0.1	360	-12	1.00% ^c	1.01
		20th Century Vista Investors/20th Century	—*	12.7	none	276	63	1.00% ^c	1.01
		UMB Stock Fund/Jones & Babson	—*	18.1	1.3	43	35	none	0.87
		Unified Growth Fund/Unified	—*	6.7	1.4	29	7	none	1.01
D	C	Unified Mutual Shares Fund/Unified	13.3	7.5	3.1	23	16	none	1.02
C	C	United Accumulative Fund/Waddell & Reed	16.6	14.0	2.4	822	12	8.50	0.60
C	B	United Income Fund/Waddell & Reed	15.5	16.9	2.5	1,060	26	8.50	0.62
C	B	United International Growth/Waddell & Reed	18.9	36.7	0.9	292	54	8.50	1.09
		United New Concepts Fund/Waddell & Reed	—*	7.6	0.5	104	72	8.50	1.19
B	D	United Science & Energy Fund/Waddell & Reed	15.3	28.1	1.3	243	24	8.50	0.83
A	C	United Services-Gold Shares Fund/United Services	24.6	106.1	5.5	408	90	none	1.57 ^p
		United Svcs-Good & Bad Times/United Services	—*	12.6	1.9	36	12	none	1.51 ^p
		United Services-Growth Fund/United Services	—*	3.1	0.7	9	-23	none	1.81 ^p
		United Services-New Prospector/United Services	—*	116.8	none	127	365	2.00	1.67 ^p
		United Services-Prospector Fund/United Services	—*	107.5	none	76	25	2.00 ^{tr}	2.53 ^p
B	B	US Trend Fund/Tenneco	19.7	19.0	2.4	106	20	7.50	0.99
B	B	United Vanguard Fund/Waddell & Reed	21.9	20.3	2.1	651	24	8.50	0.98
		US Boston Investment-Boston I/US Boston	—*	21.7	none	35	87	1.00 ^r	2.00 [±]
		US Boston Investment-International/US Boston	—*	66.1	none	8	179	1.00 ^r	2.00 [±]
		USAA Investment Trust-Cornerstone Fund/USAA	—*	48.6	1.6	479	NM	none	1.28
		USAA Investment Trust-Gold Fund/USAA	—*	127.5	0.7	180	930	none	1.42
•C	•D	USAA Mutual-Growth Fund/USAA	12.1	12.7	1.0	258	27	none	1.10
		USAA Mutual-Income Stock Fund/USAA	—*	—*	—*	7	—	none	NA
		USAA Mutual-Sunbelt Era Fund/USAA	—*	5.7	0.3	152	-3	none	1.07
		UST Master Funds-Equity/Boston Co	—*	13.6	1.1	15	90	none	1.21 ^p
		UST Master Funds-Income & Growth/Boston Co	—*	—*	—*	6	—	none	1.28 ^p
F	A +	Valley Forge Fund/Valley Forge	16.3	9.5	6.3	9	-5	1.00 ^b	1.40
		Value Line Convertible Fund/Value Line	—*	4.5	4.6	91	56	none	1.04
B	B	Value Line Fund/Value Line	18.1	9.9	1.4	256	-6	none	0.73
D	A	Value Line Income Fund/Value Line	16.8	8.6	6.6	182	14	none	0.77
B	A	Value Line Leveraged Growth Inv/Value Line	23.4	15.7	0.5	421	38	none	0.96
B	B	Value Line Special Situations Fund/Value Line	17.0	1.9	0.3	212	-20	none	1.02
		Van Eck Gold/Resources Fund/Van Eck	—*	126.2	none	163	NM	7.50	1.52 [±]
A	C	Van Eck-International Investors/Van Eck	28.1	88.2	2.4	1,132	63	8.50	0.86
		Van Kampen Merritt Gro & Inc Fund/Van Kampen	—*	—*	0.6	31	—	4.90	0.84 [±]

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. •Fund rated for two periods only; maximum allowable grade A. *Fund not in operation for full period. †Closed to all investors. ‡Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. ^pNet of partial absorption of expenses by fund sponsor. ^bIncludes back end load that reverts to fund. ^rIncludes back end load that reverts to distributor. NA Not applicable or not available. NM Not meaningful. ^cSales charge and redemption fee accrue to fund.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Stock

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES stock fund composite	16.9%	19.8%	1.7%				
		Vance, Sanders Exchange Fund/††	14.8%	23.3%	1.5%	\$175	7%	none	\$0.69
D	A	Vance, Sanders Special Fund/Eaton Vance	16.4	2.4	0.4	85	-22	4.75%	0.99
B	B	Vanguard Explorer Fund/Vanguard	18.4	1.3	0.1	289	-20	†	0.76
		Vanguard Explorer II/Vanguard	—*	5.9	0.2	68	61	none	1.17
		Vanguard Gemini II Capital ¹ /Vanguard	—*	29.5	7.0	315	20	NA	0.62
		Vanguard Gemini II Income ¹ /Vanguard	—*						
B	D	Vanguard Index Trust/Vanguard	15.1	24.9	2.9	906	84	none	0.28
B	C	Vanguard WL Morgan Growth Fund/Vanguard	17.2	21.9	1.3	737	-4	none	0.54
D	C	Vanguard Naess & Thomas Special Fund/Vanguard	14.8	1.9	none	33	-22	none	0.92
		Vanguard PrimeCap Fund/Vanguard	—*	28.6	0.6	236	132	none	0.82
C	A +	Vanguard Qualified Dividend I/Vanguard	21.6	20.8	7.3	193	7	††	0.52
		Vanguard Quantitative Portfolios/Vanguard	—*	—*	—*	172	NM	none	0.57
		Vanguard Specialized-Energy/Vanguard	—*	54.4	1.1	59	595	1.00b	0.65
		Vanguard Spec-Gold & Prec Metals/Vanguard	—*	108.8	1.5	176	569	1.00b	0.59
		Vanguard Specialized-Health Care/Vanguard	—*	22.5	1.1	73	43	1.00b	0.61
		Vanguard Specialized-Service Economy/Vanguard	—*	6.9	1.9	51	-38	1.00b	0.48
		Vanguard Specialized-Technology/Vanguard	—*	14.0	0.4	28	68	1.00b	0.65
		Vanguard Trustees' Commingled-Intl/Vanguard	—*	50.4	2.1	814	25	none	0.52
• B	• B	Vanguard Trustees' Commingled-US/Vanguard	—*	31.8	3.1	180	-9	none	0.52
C	A	Vanguard Windsor Fund/Vanguard	20.8	25.5	5.0	5,996	24	††	0.52
		Vanguard Windsor II/Vanguard	—*	18.7	3.0	1,554	133	none	0.65
		Vanguard World-International Growth/Vanguard	—*	33.7	0.5	560	58	none	0.69
		Vanguard World-US Growth/Vanguard	—*	8.7	2.3	190	2	none	0.63
D	B	Variable Stock Fund/Variable	12.8	8.8	1.8	9	8	none	1.21
		Viking Equity Index Fund-General/Fairfield	—*	22.8	1.7	11	108	none	1.05p
C	D	Wall Street Fund/Wall Street	12.1	17.3	none	13	18	5.50	2.01p
		Warburg International Fund/Reich & Tang	—*	30.6	none	8	-18	none	1.54p
C	A	Washington Mutual Investors/American Funds	17.9	21.3	3.7	2,881	95	8.50	0.54
		Wealth Monitors Fund/Michael W Lamb	—*	—*	—*	6	—	8.50	2.50p†
A +	C	Weingarten Equity Fund/AIM	26.3	18.2	0.7	258	15	4.75	1.00
		Westergaard Fund/Ladenburg	—*	-11.3	1.7	13	-37	8.50	2.25
		World of Technology/Financial Prog	—*	17.0	none	10	3	none	1.50
		World Wide Value Fund/closed end	—*	—*	—*	68	—	NA	2.02
B	D	WPG Fund/Weiss, Peck	17.9	16.7	0.3	48	-4	none	1.23
		WPG Growth Fund/Weiss, Peck	—*	18.1	none	153	525	none	1.13
		Z-Seven Fund/closed end	—*	21.7	none	29	16	NA	3.18
		Zweig Fund/closed end	—*	—*	—*	370	—	NA	1.16

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Stock funds rated only if in operation since 11/30/80. • Fund rated for two periods only. maximum allowable grade A. *Fund not in operation for full period. †Closed to all investors. ‡Fund has shareholder fund 12b-1 plan exceeding 0.4% (hidden load) pending or in force. ††Closed to new investors. ‡‡Exchange fund, not currently selling new shares. p Net of partial absorption of expenses by fund sponsor. b Includes back end load that reverts to fund. NA Not applicable or not available. NM Not meaningful. † Dual fund. Performance, asset and expense data are on capital and income shares treated as a unit.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Balanced funds

Balanced funds mix stocks and bonds or buy lots of convertible bonds. FORBES classifies a fund as balanced if stocks make up from 20% to 80% of its assets, excluding cash. They are graded separately from stock funds, but according to a similar

system using the same definition of up and down markets (see chart, p. 170). For more information, contact the distributor beside the fund's name. The list of distributor addresses and phone numbers begins on page 268.

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES balanced fund composite	7.8%	14.9%	4.8%				
		Advantage Income Fund/Advest	—*	8.7%	4.8%	\$67	160%	4.00%r	\$1.95t
•D	•C	Aim Convertible Securities ¹ /AIM	—*	-7.7	6.2	27	23	4.75	1.56t
B	C	Alliance Balanced Shares/Alliance	13.9%	10.7	4.5	120	65	5.50	0.99t
C	C	American Balanced Fund/American Funds	13.9	15.7	5.4	202	22	8.50	0.67t
A	B	American Capital Convertible Securities/closed end	18.9	10.0	6.1	90	-2	NA	0.77t
A	D	American Capital Harbor Fund/American Cap	16.5	9.5	5.7	418	59	8.50	0.64t
B	D	Axe-Houghton Fund B/Axe Securities	14.2	14.7	5.6	205	7	none	0.98t
B	D	Bancroft Convertible Fund/closed end	14.1	8.8	5.4	62	2	NA	1.80t
		BB&K Diversa Fund/Bailard	—*	—*	none	74	—	none	1.59t
		Bruce Fund/Bruce	—*	-3.3	1.1	7	138	none	1.70t
		Calvert Social Invest-Managed Growth/Calvert	—*	8.7	2.2	156	107	4.50	1.28t
D	A	Castle Convertible Fund/closed end	15.1	7.9	7.9	60	-2	NA	1.13t
		Claremont Fund-Combined/Claremont Co	—*	10.7	1.6	16	172	none	2.10p
		Clipper Fund/Pacific	—*	13.4	3.3	90	41	2.00b	1.28p
		Colonial Advanced Strategies Gold Trust/Colonial	—*	102.5	0.6	92	370	6.75	1.75p
B	D	Colonial Fund/Colonial	13.8	14.9	4.1	264	71	6.75	1.02t
C	C	Composite Bond & Stock Fund/Murphey Favre	13.0	9.7	5.3	91	23	4.00	1.78t
•C	•A	Country Capital Income Fund/Country Capital	—*	3.9	6.7	6	28	5.00	1.37t
C	C	Criterion Income-Commerce Inc Shares/Criterion	13.0	14.4	3.3	86	22	4.75	1.12t
A	D	Dodge & Cox Balanced Fund/Dodge & Cox	14.3	20.8	4.1	39	40	none	0.73t
C	C	Dreyfus Convertible Securities Fund/Dreyfus	13.8	14.6	5.2	265	68	none	0.85t
		Duff & Phelps Selected Utilities/closed end	—*	—*	—*	1,010	—	NA	1.56t
		Eaton Vance High Income Trust/Eaton Vance	—*	—*	—*	213	—	6.00b,r	1.01t
D	B	Eaton Vance Income Fund of Boston/Eaton Vance	12.1	10.3	10.2	45	6	4.75	1.16t
C	C	Eaton Vance Investors Fund/Eaton Vance	14.3	11.8	4.5	240	2	4.75	0.86t
		Federated Corporate Cash Trust/Federated	—*	5.4	6.1	103	-28	none	0.90p
D	B	Federated Stock & Bond Fund/Federated	13.8	11.2	5.0	103	61	none	1.00p
		Fidelity Balanced Fund/Fidelity	—*	—*	—*	169.8	—	2.00	1.50p
		First Australia Fund/closed end	—*	46.3	2.8	80	35	NA	2.08p
		First Lakeshore Diversified Asset Fund/Dreyfus	—*	7.0	0.6	5	325	none	at
C	A	Franklin Income/Franklin	16.5	16.6	9.6	411	120	4.00	0.64t
		FundTrust-Growth & Income/Furman Selz	—*	11.7	2.3	87	282	none	1.12t

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Balanced funds rated only if in operation since 11/30/80. • Fund rated for two periods only; maximum allowable grade A. * Fund not in operation for full period. † Fund has shareholder-paid 12b-1 plan exceeding 0.1%. ‡ Hidden load pending or in force. a All expenses absorbed by sponsor. p Net of partial absorption of expenses by fund sponsor. t Includes back end load that reverts to fund. r Includes back end load that reverts to distributor. NA Not applicable or not available. † Formerly Convertible Yield Securities.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Balanced

Performance in UP in DOWN markets		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	25.1%	3.2%				
		FORBES balanced fund composite	7.8%	14.9%	4.8%				
•B	•C	GPM Fund/Trusteed	—*	14.4%	4.0%	\$7	13%	none	\$1.36‡
C	C	IDS Mutual/IDS	14.0%	19.8	5.5	1,536	18	5.00%	0.64‡
D	B	Income Fund of America/American Funds	14.5	11.9	6.9	926	66	8.50	0.55‡
		Industrial Series-Option Income/Mackenzie	—*	22.6	2.5	271	677	8.50	1.21‡
		Investment Portfolios-Total Return/Kemper	—*	—*	0.5	435	—	5.00r	1.90‡
A+	D	Kemper Total Return Fund/Kemper	18.3	19.2	3.1	1,232	113	8.50	0.73‡
D	C	Keystone Custodian K-1/Keystone	13.0	14.7	5.5	727	74	4.00b	0.86‡
B	D	Loomis-Sayles Mutual Fund/New England	15.2	20.7	3.1	305	76	none	0.84‡
B	B	Mass Financial Total Return Trust/Mass Finl	15.2	16.9	4.9	487	57	7.25	0.66‡
D	•B	Merrill Lynch Equi-Bond I Fund/ML Funds	—*	9.3	4.1	17	-2	4.50b	1.50p
		Merrill Lynch Phoenix Fund/ML Funds	—*	19.1	3.9	127	3	6.50	1.18p
		Merrill Lynch Retirement Benefit Inv/ML Funds	—*	13.7	3.1	3,152	69	4.00r	1.74‡
F	A	Mutual of Omaha Income Fund/Mutual of Omaha	10.6	8.6	8.2	150	51	8.00	0.77‡
C	A	National Total Income Fund/National Secs	16.1	5.9	5.3	150	92	7.25	1.04‡
B	C	National Total Return Fund/National Secs	16.9	8.8	4.8	331	27	7.25	0.97‡
•C	•D	Pax World Fund/Pax World	—*	8.3	3.2	72	46	none	1.20‡
		Phoenix Balanced Fund/Phoenix	—*	15.7	4.1	334	138	8.50	0.66‡
D	A+	Provident Fund for Income/American Cap	15.0	23.7	5.7	116	7	7.25	0.76‡
B	C	George Putnam Fund of Boston/Putnam	14.5	17.6	5.4	435	18	8.50	0.58‡
		Rea-Graham Fund/Rea-Graham	—*	8.7	3.4	49	27	8.50	1.48‡
		Royce Fund-Equity Income/Quest	—*	-0.1	4.6	6	31	1.00b,r	1.81‡
D	B	Seligman Income Fund/Seligman	13.1	4.1	8.2	182	38	4.75	0.73‡
C	B	Sentinel Balanced Fund/Equity Services	14.4	13.7	5.6	69	94	8.50	0.69‡
C	B	Sigma Trust Shares/Sigma	13.5	11.4	5.0	49	25	8.50	0.99‡
B	F	SteinRoe Total Return Fund/Stein Roe	11.4	11.1	6.0	178	19	none	0.79‡
		Strong Investment Fund/Strong	—*	2.9	6.6	341	8	1.00	1.06‡
		Strong Total Return Fund/Strong	—*	13.8	5.2	899	101	1.00	1.07‡
		Templeton Income Fund/Securities Fund	—*	—*	3.5	119	—	8.50	NA‡
		Unified Income Fund/Unified	—*	5.6	6.8	15	19	none	1.12‡
A	C	United Continental Income Fund/Waddell & Reed	15.9	6.2	4.3	384	78	8.50	0.79‡
		United Gold & Government Fund/Waddell & Reed	—*	82.6	1.3	114	NM	8.50	1.48‡
C	C	United Retirement Shares/Waddell & Reed	13.0	7.5	3.3	109	10	8.50	0.92‡
		Van Eck World Trends Fund/Van Eck	—*	31.1	1.5	100	129	7.50	1.46‡
		Vanguard Star Fund/Vanguard	—*	14.0	5.0	638	64	none	a‡
D	A	Vanguard Wellesley Income Fund/Vanguard	13.5	6.8	8.3	591	75	none	0.48‡
A	D	Vanguard Wellington Fund/Vanguard	15.0	18.3	5.2	1,541	50	none	0.43‡

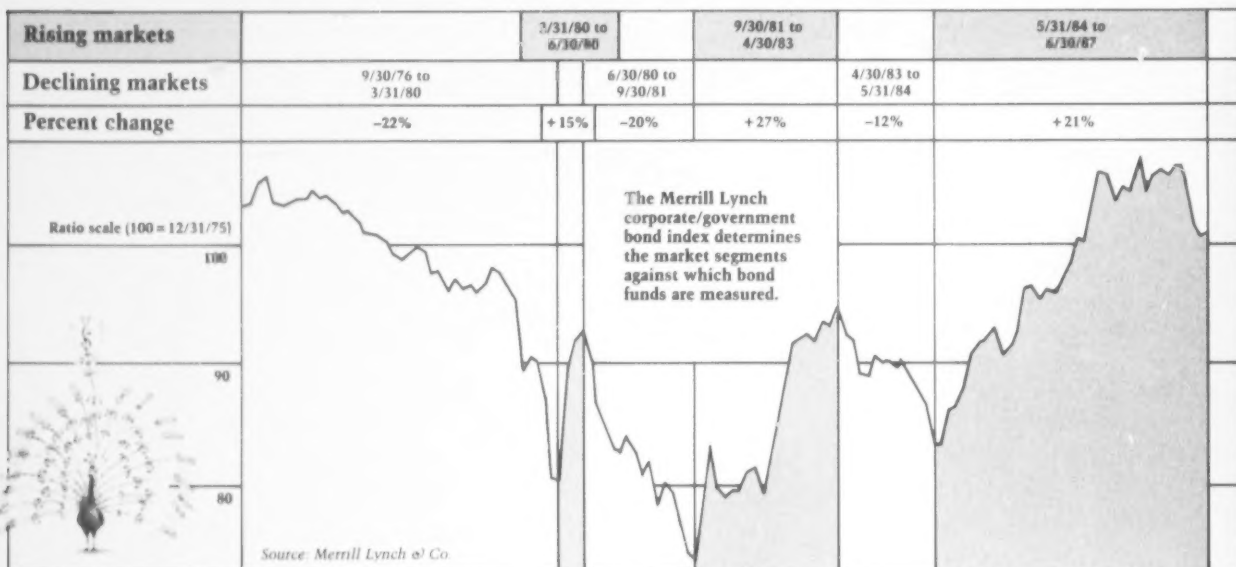
Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Balanced funds rated only if in operation since 11/30/80. •Fund rated for two periods only; maximum allowable grade A. *Fund not in operation for full period. †Fund has shareholder-paid 12b-1 plan exceeding 0.1% (hidden load/pending or in force). a All expenses absorbed by fund sponsor. p Net of partial absorption of expenses by fund sponsor. b Includes back end load that reverts to fund. r Includes back end load that reverts to distributor. NA Not applicable or not available. NM Not meaningful.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Bond & preferred stock

Brilliance in a bond manager consists of owning long-term bonds when the market turns up. The past several years have been mostly bullish for bonds, since interest rates have been falling, so recent performance makes the longest-maturity bond funds look the smartest. But these funds will look the worst if bond prices fall. For this reason, we compute separate performance grades during bullish and bearish bond markets.

Very few funds excel in both environments. As with stock funds, we identify three market cycles, with an up and down in each. To be rated at all, a bond fund must have been in existence for two full market cycles—that is, since June 30, 1980. To obtain more information about a fund, contact the distributor given beside the fund's name. The list of distributor addresses and phone numbers begins on page 268.



Performance in UP in DOWN ——markets——			Fund/distributor	Investment results					Maximum sales charge	Annual expenses per \$100
				Average annual total return 1976-87	Latest 12 months return		Total assets			
					total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Merrill Lynch corporate/govt bond index	10.4%	4.7%	9.3%					
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%					
		Advantage Government Securities Fund/Advest	—*	2.3%	7.1%	\$257	98%	4.00%r	\$1.80‡	
D	F	Alliance Bond Fund-High Grade/Alliance	7.4%	3.6	6.9	6	5	5.50	1.00p	
		Alliance Bond Fund-High Yield/Alliance	—*	4.7	12.8	467	95	5.50	1.16‡	
B	•F	Alliance Bond Fund-Monthly Inc Shares/Alliance	9.3	7.6	9.1	41	-7	5.50	1.14‡	
		Alliance Bond Fund-US Government/Alliance	—*	7.0	10.9	496	284	5.50	1.14p	
		Alliance Mortgage Securities Income/Alliance	—*	8.1	10.9	753	4	5.50	1.00‡	
D	C	AMA Income Fund-Classic Income/AMA Advisers	8.5	3.8	6.5	39	96	none	1.65‡	
		AMA Income Fund-Global Income/AMA Advisers	—*	—*	—*	15	—	none	1.93‡	
		AMA Inc Fund-Global Short Term/AMA Advisers	—*	—*	—*	16	—	none	1.97‡	

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Bond funds rated only if in operation since 11/30/80. •Fund rated for two periods only, maximum allowable grade A. *Fund not in operation for full period. ‡Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. _p Net of partial absorption of expenses by fund sponsor. _r Includes back end load that reverts to distributor.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Merrill Lynch corporate/govt bond index	10.4%	4.7%	9.3%				
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%				
B	C	American Capital Bond Fund/closed end	10.3%	2.9%	10.1%	\$231	-3%	NA	\$0.72+
B	D	American Capital Corp Bond Fund/American Cap	9.5	6.6	11.4	136	23	4.75%	0.74+
		American Capital Federal Mortgage/American Cap	—*	2.6	7.1	86	268	4.75	0.98+
		American Capital Government Secs/American Cap	—*	3.2	7.5	8,847	24	6.75	0.60+
		American Capital High Yield Inv/American Cap	—*	3.8	13.1	596	10	6.75	0.70+
		American Funds Inc-US Govt Guar/American Funds	—*	6.1	9.9	362	163	4.75	1.00p
D	A	American Investors Income Fund/American Invest	10.7	7.9	13.0	23	-1	none	1.88+
•C	•A	American National Bond Fund/Securities Mgmt	—*	3.4	8.4	10	26	5.00	0.98+
B	D	AMEV Securities/closed end	9.4	8.0	10.0	111	0	NA	0.82+
D	B	AMEV US Govt Securities Fund/AMEV Investors	9.9	6.4	9.7	104	131	4.50	1.00+
A	C	Axe-Houghton Income Fund/Axe Securities	10.9	6.2	9.3	53	17	none	1.37+
D	B	Babson Bond Trust/Jones & Babson	9.3	5.5	9.4	70	11	none	0.97p+
		Bankers Systems Granit-Govt Secs/Bankers Sys	—*	3.6	7.2	9	481	none	0.50+
		Bartlett Capital Trust-Fixed Income/Bartlett	—*	7.9	9.0	149	944	none	0.93+
		Benham Government Income-GNMA/Benham	—*	7.0	8.9	300	41	none	0.74+
		Benham Target Maturities-Series 1990/Benham	—*	18.5	6.7	6	22	none	0.70+
		Benham Target Maturities-Series 1995/Benham	—*	13.2	11.5	5	22	none	0.70+
		Benham Target Maturities-Series 2000/Benham	—*	13.9	8.8	5	16	none	0.70+
		Bond Accumulation Fund/Investors Mgmt	—*	5.2	6.7	17	25	5.00	0.92+
B	B	Bond Fund of America/American Funds	11.0	5.7	10.4	823	55	4.75	0.58+
		Boston Co GNMA Fund/Boston Co	—*	5.6	8.3	16	94	none	0.65p
		Boston Co Managed Income Fund/Boston Co	—*	8.4	9.9	60	106	none	0.88+
		Bull & Bear High Yield Fund/Bull & Bear	—*	-0.8	13.3	207	82	none	1.50+
		Bull & Bear US Govt Guaranteed Secs/Bull & Bear	—*	8.7	9.7	47	431	none	1.50p
A	D	Bunker Hill Income Securities/closed end	10.2	12.4	11.9	49	6	NA	1.17p
		California Investment II-US Govt Secs/California I	—*	6.7	9.5	13	61	none	0.28p
		Calvert Fund-Income/Calvert	—*	0.9	9.2	23	8	4.50	0.85p
•D	•A	Capital Preservation Treasury Note/Benham	—*	2.7	6.7	38	33	none	0.93p
		Cardinal Government Guaranteed Fund/Ohio Co	—*	7.5	10.1	163	98	4.75	0.75p
		Carnegie Govt Secs-High Yield Govt/Carnegie	—*	5.3	7.3	48	115	4.50	1.26+
		Cigna Government Securities/Cigna	—*	—*	—*	9	—	5.00	NA+
		Cigna High Yield Fund/Cigna	—*	7.9	11.5	269	32	5.00	0.92+
C	C	Cigna Income Fund/Cigna	10.2	4.5	8.6	258	5	5.00	0.82+
C	B	Circle Income Shares/closed end	9.7	7.7	10.6	33	-1	NA	0.90+
		Claremont Fund-Government Bond/Claremont Co	—*	3.7	6.5	6	103	none	2.00p
A	D	CNA Income Shares/closed end	10.3	6.8	11.1	83	26	NA	0.78p
		Colonial Govt Mortgage Trust/Colonial	—*	2.1	6.9	36	96	4.75	1.24+
		Colonial Govt Securities Plus Trust/Colonial	—*	4.0	7.3	4,113	70	6.75	1.10p
B	B	Colonial High Yield Securities/Colonial	10.9	10.0	11.4	477	62	4.75	1.11+
C	C	Colonial Income Trust/Colonial	9.5	6.6	11.3	175	14	4.75	1.11+

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Bond funds rated only if in operation since 11/30/80. •Fund rated for two periods only: maximum allowable grade A. *Fund not in operation for full period. †Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p Net of partial absorption of expenses by fund sponsor. NA Not applicable or not available.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Bond & Preferred

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Merrill Lynch corporate/govt bond index	10.4%	4.7%	9.3%				
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%				
		Columbia Fixed Income Securities/Columbia	—*	6.5%	8.8%	\$114	12%	none	\$0.79‡
		Common Sense Trust-Government/American Cap	—*	—*	—*	11	—	8.50%	NA‡
C	D	Composite Income Fund/Murphey Favre	8.0%	8.9	10.8	119	-22	4.00	0.77p
		Composite US Govt Securities/Murphey Favre	—*	5.3	9.6	104	15	4.00	0.88‡
		Connecticut Mutual-Govt Secs/Conn Mutual	—*	8.0	8.9	25	29	6.25	1.20‡
		Connecticut Mutual-Income/Conn Mutual	—*	4.5	7.9	15	18	6.25	1.22‡
		Continental US Govt Plus Fund/Continental	—*	4.4	7.3	35	NM	5.50r	2.27‡
		Criterion Bond-Investment Quality/Criterion	—*	3.6	11.2	154	42	4.75	1.01‡
		Criterion Bond-US Govt High Yield/Criterion	—*	4.2	7.5	1,902	-10	4.75	1.03‡
		Criterion Income-Convertible Securities/Criterion	—*	—*	—*	16	—	4.75	NA‡
A	D	Current Income Shares/closed end	10.3	6.0	8.9	49	3	NA	0.90‡
		Dean Witter Govt Securities Plus/Dean Witter	—*	—*	—*	1,748	—	5.00r	1.56‡
		Dean Witter High Yield Secs/Dean Witter	—*	10.6	12.9	1,963	87	5.50	0.51‡
		Dean Witter US Govt Securities/Dean Witter	—*	6.6	9.7	11,410	18	5.00r	1.20‡
		Delaware Group Government-GNMA/Delaware	—*	6.2	10.3	87	149	4.75	1.00p
		Delaware Group Government-US Govt/Delaware	—*	3.8	9.9	68	90	4.75	1.00p
		Delaware Treasury Reserves-Investors/Delaware	—*	5.5	7.2	163	96	none	1.02p
A	C	Delchester Bond Fund/Delaware	10.4	10.9	12.2	387	203	6.75	0.80p
		Depositors Investment-Current Income/Putnam	—*	9.3	11.1	7	43	none	1.93‡
		Depositors Investment-Government Secs/Putnam	—*	9.0	9.4	11	73	none	NA‡
A+	D	Drexel Bond-Debtenture Trading Fund/closed end	10.8	7.1	9.8	52	-2	NA	1.04
		Drexel Series-Bond-Debtenture/Drexel	—*	3.5	7.4	24	72	5.00r	1.93‡
		Drexel Series-Government Securities/Drexel	—*	1.9	6.6	471	66	5.00r	1.87‡
D	A	Dreyfus A Bonds Plus/Dreyfus	9.9	4.5	9.2	272	22	none	0.84‡
		Dreyfus GNMA Fund/Dreyfus	—*	6.5	9.1	2,343	30	none	1.01‡
		Dreyfus Strategic Income/Dreyfus	—*	—*	—*	35	—	3.00	NA‡
		Dreyfus US Govt Intermediate Secs LP/Dreyfus	—*	—*	—*	6	—	none	NA‡
		Eaton Vance Govt Obligations Trust/Eaton Vance	—*	7.0	9.9	418	24	4.75	1.20‡
B	C	Eaton Vance High Yield/Eaton Vance	9.9	11.5	11.3	36	18	4.75	0.93‡
		Equitec Siebel High Yield Bond Fund/Equitec	—*	6.4	10.5	23	404	5.00r	2.47‡
		Equitec Siebel US Government Securities/Equitec	—*	6.8	8.8	93	529	5.00r	2.16‡
B	F	Excelsior Income Shares/closed end	8.3	5.0	9.0	39	-4	NA	0.93‡
		Federated Bond Fund/Federated	—*	3.2	9.6	12	757	none	0.91p
		Federated Floating Rate Trust/Federated	—*	—*	—*	84	—	none	0.50p
		Federated GNMA Trust/Federated	—*	7.5	9.8	2,553	144	none	0.51p
		Federated High Income Securities/Federated	—*	6.7	12.0	377	13	4.50	1.02p
		Federated High Yield Trust/Federated	—*	9.6	11.9	272	227	none	0.75p
		Federated Income Trust/Federated	—*	7.4	9.6	1,605	255	none	0.54p
		Federated Intermediate Government/Federated	—*	5.6	8.3	1,856	49	none	0.45p

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Bond & Preferred

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Merrill Lynch corporate/govt bond index FORBES bond and preferred stock composite	10.4% 9.9%	4.7% 6.1%	9.3% 9.4%				
		Federated Short-Intermediate Govt/Federated	—*	5.7%	7.8%	\$3,640	25%	none	\$0.45p
		Federated US Government Fund/Federated	—*	2.2	8.6	7	59	none	0.96p
D	C	Fidelity Flexible Bond Fund/Fidelity	9.0%	2.5	9.6	373	49	none	0.69‡
		Fidelity Ginnie Mae/Fidelity	—*	6.6	8.5	878	46	none	0.75p
		Fidelity Global Bond Fund/Fidelity	—*	—*	—*	27	—	none	NAP
F	•B	Fidelity Government Securities Fund/Fidelity	—*	4.2	8.7	701	73	none	0.84‡
A	•B	Fidelity High Income Fund/Fidelity	—*	9.3	11.3	1,794	35	none	0.80
D	A+	Fidelity Intermediate Bond Fund ¹ /Fidelity	11.1	4.3	5.5	358	22	none	0.75‡
		Fidelity Mortgage Securities/Fidelity	—*	6.4	9.1	611	—1	none	0.75p
		Fidelity Plymouth-Aggressive Income/Fidelity	—*	—*	—*	8	—	4.00%	1.10p
		Fidelity Short-Term Bond/Fidelity	—*	—*	—*	15	—	none	0.99p
		Financial Bond Shares-High Yield/Financial Prog	—*	8.8	11.5	43	19	none	0.83p
C	•C	Financial Bond Shares-Select Inc/Financial Prog	—*	5.1	9.8	22	12	none	0.91
		Financial Bond Shares-US Govt/Financial Prog	—*	4.5	7.3	7	89	none	1.23p
		Financial Independence-US Govt Secs ² /MGF	—*	6.4	8.7	52	16	4.00	1.25p
		First Australia Prime Income Fund/closed end	—*	18.8	11.6	782	6	NA	1.17p
		First Boston Income Fund/closed end	—*	—*	—*	217	—	NA	NA
D	•A	First Investors Bond Appreciation/First Investors	—*	4.2	10.1	222	18	7.25	1.08‡
D	A	First Investors Fund for Income/First Investors	9.9	6.8	12.0	1,772	8	8.50	0.98‡
		First Investors Government Fund/First Investors	—*	4.9	8.1	355	168	7.25	1.22‡
		First Investors High Yield Fund/First Investors	—*	—*	—*	147	—	7.25	1.39‡
		First Trust Fund-US Government/First Trust	—*	8.1	8.5	313	142	4.75	0.46p
		Flex-funds-Bond Fund/Flex	—*	5.6	9.0	17	205	none	0.78p‡
A+	F	Fort Dearborn Income Securities/closed end	9.9	5.6	9.1	102	—3	NA	0.78p
		Fortress Convertible Securities & Income/Federated	—*	—*	—*	11	—	none	1.22‡
		FPA New Income Fund/Angeles Secs	—*	8.4	8.9	7	11	4.50	1.57‡
C	B	Franklin AGE High Income Fund/Franklin	10.8	5.9	12.7	1,693	116	4.00	0.57‡
		Franklin Convertible Securities Fund/Franklin	—*	—*	—*	5	—	4.00	NA
D	D	Franklin US Government Securities Fund/Franklin	7.6	8.2	10.6	14,274	10	4.00	0.53‡
		Freedom Investment-Govt Plus/Tucker	—*	5.2	8.9	175	613	3.00r	1.26‡
		Freedom Investment II-Global Inc Plus/Tucker	—*	—*	—*	25	—	3.00r	2.41‡
C	D	Fund for US Govt Securities/Federated	8.5	7.9	9.2	1,136	26	4.50	0.95p
		FundTrust-Income/Furman Selz	—*	5.0	8.9	57	208	none	1.28‡
		GIT Income Trust-A-Rated Income/GIT	—*	3.5	8.3	8	3	none	1.41‡
		GIT Income Trust-Maximum Income/GIT	—*	3.1	11.1	15	—5	none	1.39‡
		GNMA Income Trust/Reich & Tang	—*	5.2	9.6	7	128	none	0.25p
		Government Income Securities/Federated	—*	7.7	9.4	2,551	415	2.50r	0.95p
B	D	John Hancock Bond Trust/Hancock	8.9	5.7	9.8	1,150	6	8.50	0.72p
		John Hancock High Income-Fixed Income/Hancock	—*	—*	—*	34	—	5.75	1.00p
A	D	John Hancock Income Securities/closed end	9.9	6.2	9.7	149	—2	NA	0.62p

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Bond & Preferred

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Merrill Lynch corporate/govt bond index	10.4%	4.7%	9.3%				
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%				
C	B	John Hancock Investors/closed end	10.5%	5.5%	9.5%	\$148	-3%	NA	\$0.61p
		John Hancock US Govt Guaranteed Mort/Hancock	—*	6.3	10.2	441	37	8.50%	0.91p
D	A	John Hancock US Govt Securities/Hancock	8.6	3.5	8.4	214	29	8.50	0.90p
B	B	Hatteras Income Securities/closed end	10.6	6.8	13.5	51	-4	NA	0.95p
		Heartland US Government Fund/Milwaukee Co	—*	—*	—*	7	—	4.50	NA†
		Heritage Convertible Inc-Growth Trust/James	—*	—*	—*	23	—	5.00	1.75p
		High Yield Securities/ALM	—*	7.7	11.9	86	-3	4.75	1.01‡
		Home Investors Govt Guaranteed Inc/Integrated	—*	5.5	8.4	209	25	5.00r	1.74‡
		Hutton Investment-Bond & Income/Hutton	—*	2.3	10.4	485	54	5.00r	1.62‡
		Hutton Investment-Government Securities/Hutton	—*	2.1	11.0	6,234	43	5.00r	1.56‡
		IAI Bond Fund ¹ /IAI Funds	—*	4.6	8.5	41	16	none	0‡
		IAI Reserve Fund ² /IAI Funds	—*	5.4	5.3	35	7	none	0.80‡
B	B	IDS Bond Fund/IDS	10.9	6.1	9.0	1,889	7	3.50	0.73‡
		IDS Extra Income Fund/IDS	—*	8.0	10.5	1,105	37	5.00	0.80‡
		IDS Federal Income Fund/IDS	—*	6.2	8.0	181	-10	5.00	0.87‡
B	C	IDS Selective Fund/IDS	10.5	6.5	8.8	1,187	9	5.00	0.74‡
		IDS Strategy Fund-Income/IDS	—*	7.5	7.7	150	65	5.00r	1.64‡
C	C	INA Investment Securities/closed end	9.6	3.3	9.4	88	-4	NA	0.92
A	D	Independence Square Income Secs/closed end	10.1	6.0	9.6	30	-3	NA	0.90‡
		Industrial Series-Govt Secs Plus/Mackenzie	—*	-1.4	2.9	18	-21	6.75	1.50p
		Integrated Income-Convertible Secs/Integrated	—*	—*	—*	26	—	4.75	0.50p
		Integrated Income-High Yield/Integrated	—*	—*	—*	12	—	4.75	1.50p
		Integrated Income Plus Fund/Integrated	—*	—*	—*	17	—	5.00r	1.85p
		Integrated Tax Free-US Tax Free Income/Integrated	—*	—*	—*	12	—	4.75	0.73p
A	D	InterCapital Income Securities/closed end	10.4	7.1	10.8	212	-1	NA	0.66p
		Investment Portfolios-Govt Plus/Kemper	—*	4.2	9.2	6,247	66	5.00r	2.03‡
		Investment Portfolios-High Yield/Kemper	—*	12.6	9.1	316	145	5.00r	2.18‡
		Investment Trust of Boston-High Inc Plus/ITB	—*	6.1	11.3	21	-9	6.75	1.49‡
C	B	Investors Income Fund/Tenneco	9.8	10.2	9.1	24	35	4.50	1.44‡
F	A	ISI Income Fund/Sigma	9.0	-10.1	6.4	4	-36	8.50	1.92‡
		JP Income Fund/Jefferson-Pilot	—*	5.3	8.9	18	-7	8.00	0.91‡
A	•B	Kemper High Yield Fund/Kemper	—*	13.4	10.8	445	46	5.50	0.70‡
C	C	Kemper Income & Capital Preservation/Kemper	9.5	5.8	10.3	254	41	5.50	0.64‡
C	•C	Kemper US Govt Securities/Kemper	—*	6.6	10.6	4,377	125	4.50	0.51‡
C	B	Keystone Custodian B-1/Keystone	9.8	2.3	9.1	523	172	4.00b	1.00‡
C	A	Keystone Custodian B-2/Keystone	11.0	4.8	9.8	932	119	4.00b	1.00‡
D	A	Keystone Custodian B-4/Keystone	11.0	4.1	11.8	1,495	-4	4.00b	0.86‡
		Kidder Peabody Government Income Fund/Kidder	—*	6.9	7.7	158	26	5.00r	1.92‡
		Kleinwort Benson Australian Income/closed end	—*	—*	—*	66	—	NA	NA
		Kleinwort Benson Transatlantic Income/Kleinwort	—*	—*	—*	6	—	none	NA‡

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Bond & Preferred

Performance in UP in —markets— DOWN		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Merrill Lynch corporate/govt bond index	10.4%	4.7%	9.3%				
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%				
		Landmark US Govt Inc Fund/Landmark Funds	—*	—*	—*	\$51	—	none	a†
		Lazard Frères-Bond Fund/Lazard Frères	—*	—*	—*	5	—	none	NA‡
D	C	Lexington GNMA Income Fund/Lexington	7.6%	8.6%	8.9%	129	12%	none	\$0.86‡
D	C	Liberty Fund/Neuberger	8.9	12.9	8.8	11	8	none	1.98‡
B	A +	Lincoln National Direct Placement/closed end	14.2	12.4	8.7	67	-2	NA	0.84‡
D	A	Lord Abbett Bond-Debtenture Fund/Lord Abbett	11.4	7.1	11.1	802	49	7.25%	0.61‡
D	A	Lord Abbett US Government Securities/Lord Abbett	10.8	6.4	11.4	659	208	4.75	0.82‡
C	C	Mass Financial Bond Fund/Mass Finl	9.8	4.2	10.2	310	0	7.25	0.68‡
C	•B	Mass Financial High Income-Series I/Mass Finl	—*	8.3	13.1	1,222	45	††	0.71‡
		Mass Financial International-Bond/Mass Finl	—*	19.7	6.9	149	26	7.25	1.17‡
B	A +	MassMutual Corporate Investors/closed end	16.4	11.9	10.8	143	2	NA	2.44‡
D	B	MassMutual Income Investors/closed end	9.3	7.4	10.5	122	-2	NA	0.93‡
		Maxus Fund/Affiliated Inv	—*	5.2	5.0	12	15	none	2.95‡
		Meeschaert International Bond/Meeschaert	—*	—*	—*	9	—	4.00b	NA‡
C	•B	Merrill Lynch Corp Bond-High Income/ML Funds	—*	9.6	11.4	835	58	4.00	0.68‡
		Merrill Lynch Corp Bond-High Quality/ML Funds	—*	4.7	8.8	269	39	4.00	0.62‡
		Merrill Lynch Corp Bond-Intermediate/ML Funds	—*	4.3	8.5	122	29	2.00	0.66‡
		Merrill Lynch Federal Securities/ML Funds	—*	5.6	8.6	6,985	9	6.25	0.48‡
		Merrill Lynch Retirement Global Bond/ML Funds	—*	—*	—*	363	—	4.00r	1.00p
		Merrill Lynch Retirement/Income Fund/ML Funds	—*	4.7	8.1	2,162	102	4.00r	0.67p
		MetLife-State Street Government Income/MetLife	—*	—*	—*	2,808	—	none	1.07‡
		MetLife-State Street Government Secs/MetLife	—*	—*	—*	25	—	4.50	1.25p
		MetLife-State Street High Income/MetLife	—*	—*	—*	28	—	4.50	1.25p
		MFS Government Guaranteed Secs/Mass Finl	—*	5.2	9.4	459	20	4.75	1.18‡
		MFS Government Markets Income Trust/closed end	—*	—*	—*	896	—	NA	NA‡
		MFS Government Securities High Yield/Mass Finl	—*	3.1	7.9	1,125	391	4.75	1.31‡
		MFS Lifetime Government Income Plus/Mass Finl	—*	—*	—*	963	—	6.00r	2.06‡
		MFS Lifetime High Income Trust/Mass Finl	—*	—*	—*	74	—	6.00r	2.22‡
		MFS Lifetime Managed Municipal Bond/Mass Finl	—*	—*	—*	147	—	6.00r	2.09‡
		MFS Multimarket Income Trust/closed end	—*	—*	—*	1,097	—	NA	0.94‡
		MidAmerica High Yield Fund/MidAmerica	—*	4.1	10.2	10	186	5.50	0.75p
		MidAmerica Tax Exempt Bond Fund/MidAmerica	—*	4.3	7.0	7	209	5.50	0.75p
		Midwest Income-Intermediate Term Govt/MGF	—*	4.2	7.6	60	5	2.00	1.04‡
		Mimlic Mortgage Securities Income Fund/Mimlic	—*	6.8	8.7	14	25	5.00	0.60p
B	D	Montgomery Street Income Securities/closed end	9.5	6.8	10.3	153	-3	NA	0.82p
		Mutual of Omaha America Fund/Mutual of Omaha	—*	3.3	8.5	56	66	none	0.98p
B	D	Mutual of Omaha Interest Shares/closed end	9.1	7.1	10.6	90	-2	NA	0.80
D	B	National Bond Fund/National Secs	9.1	-0.5	15.6	823	74	7.25	0.96p
		National Federal Securities Trust/National Secs	—*	-0.5	11.5	1,240	22	6.75	0.81p
B	B	National Preferred Fund/National Secs	12.0	5.2	9.0	6	40	7.25	1.50p

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Fund Ratings/Bond & Preferred

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	21.1%	3.2%				
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%				
		National Premium Income Fund Inc/National Secs	—*	10.9%	5.9%	\$15	NM	6.75%	\$1.00p
		National Real Estate-Income Fund/National Secs	—*	—*	—*	6	—	7.75	NA‡
•C	•D	Nationwide Bond Fund/Nationwide	—*	3.3	9.2	35	103%	7.50	0.68‡
		Neuberger & Berman Ltd Maturity Bond/Neuberger	—*	5.1	6.6	108	NM	none	0.50‡
		New Beginning Yield Fund/Sit	—*	6.8	7.6	9	58	none	1.00p
D	C	New England Bond Income Fund ¹ /New England	8.3%	6.0	8.5	59	27	6.50	1.02‡
		New England Government Secs Fund ² /New England	—*	2.0	7.6	202	26	6.50	0.94p
D	C	Newton Income Fund/Newton	6.8	4.0	8.1	14	27	none	1.47‡
C	D	Nicholas Income Fund/Nicholas	7.8	7.7	9.3	72	50	none	0.96‡
A+	C	Northeast Investors Trust/Northeast Inv	11.4	10.7	10.8	361	25	none	0.72‡
		Oppenheimer Asset Allocation ³ /Oppenheimer Inv	—*	—*	—*	32	—	4.75	NA‡
		Oppenheimer Bond Fund/Oppenheimer Inv	—*	4.9	8.8	9	98	none	0.75‡
		Oppenheimer GNMA Fund/Oppenheimer Inv	—*	—*	—*	58	—	4.75	a‡
		Oppenheimer High Income Fund/Oppenheimer Inv	—*	12.5	10.1	21	476	none	0.75‡
C	•D	Oppenheimer High Yield Fund/Oppenheimer Inv	—*	10.6	12.6	761	21	6.75	0.86‡
		Oppenheimer US Government/Oppenheimer Inv	—*	5.1	8.7	216	35	6.75	0.99‡
A	C	Pacific American Income Shares/closed end	10.8	7.4	9.5	93	-2	NA	0.87‡
		Pacific Horizon-High Yield Bond/Dreyfus	—*	9.1	11.7	30	31	4.50	0.16‡
		PaineWebber Fixed Inc-GNMA/PaineWebber	—*	6.1	9.6	2,848	5	4.25	0.66‡
		PaineWebber Fixed Inc-High Yield/PaineWebber	—*	6.9	12.1	832	90	4.25	0.69‡
		PaineWebber Fixed Inc-Invest Grade/PaineWebber	—*	3.7	10.0	681	161	4.25	0.68‡
		PaineWebber Master Global Income/PaineWebber	—*	—*	—*	677	—	5.00r	2.15‡
		PaineWebber Master Series Income/PaineWebber	—*	3.7	9.7	450	64	5.00r	1.54p
		Phoenix High Quality Bond Fund/Phoenix	—*	1.4	7.7	19	19	7.00	0.88p
		Phoenix High Yield Fund/Phoenix	—*	7.6	12.8	154	68	7.00	0.72p
		Pilgrim GNMA Fund/Pilgrim	—*	5.3	9.8	288	30	1.50	1.00‡
C	B	Pilgrim High Yield Trust/Pilgrim	10.7	9.0	12.0	53	286	1.50	1.50p
		Pilgrim Preferred Fund/Pilgrim	—*	6.7	10.9	197	257	1.50	1.14‡
		Pioneer Bond Fund/Pioneer	—*	4.5	9.0	51	70	4.50	0.86‡
		T Rowe Price GNMA Fund/Price	—*	6.5	9.0	352	68	none	1.00p
		T Rowe Price High Yield Fund/Price	—*	8.5	11.9	902	27	none	0.99p
		T Rowe Price International Bond Fund/Price	—*	—*	—*	202	—	none	1.25p
F	A	T Rowe Price New Income Fund/Price	9.8	3.4	8.3	823	-12	none	0.65p
		T Rowe Price Short-Term Bond Fund/Price	—*	5.1	7.5	221	76	none	0.94p
		Principal Preservation-Government Plus/Ziegler	—*	3.4	7.6	33	36	4.50	0.70p
		Princor Government Securities Income/Princor	—*	6.9	8.5	66	51	5.00	0.96p
		Prudential-Bache Equity Income/Pru-Bache	—*	—*	—*	87	—	5.00r	2.10p
		Prudential-Bache GNMA Fund/Pru-Bache	—*	6.7	7.7	289	8	5.00r	1.39‡

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Bond funds rated only if in operation since 11/30/80. •Fund rated for two periods only; maximum allowable grade A. *Fund not in operation for full period. ‡Fund has shareholder-paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p. Net of partial absorption of expenses by fund sponsor. r. Includes back end load that reverts to distributor. NA Not applicable or not available. NM Not meaningful. ¹Formerly NEL Income Fund. ²NEL Government Securities Fund. ³Formerly Oppenheimer Retirement U.S. Govt.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Bond & Preferred

Performance in UP in DOWN —markets—		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months return total	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	21.1%	3.2%				
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%				
		Prudential-Bache Government Plus/Pru-Bache	—*	3.7%	6.7%	\$3,865	-1%	5.00%r	\$1.53†
		Prudential-Bache Government Plus II/Pru-Bache	—*	—*	—*	232	—	5.00r	0.73p
		Prudential-Bache Govt Secs-Inter Term/Pru-Bache	—*	5.0	8.9	914	47	none	0.75‡
C	•C	Prudential-Bache High Yield Fund/Pru-Bache	—*	9.1	10.4	2,227	69	5.00r	1.19‡
		Putnam GNMA Plus Trust/Putnam	—*	2.0	12.4	2,273	NM	4.75	0.96‡
		Putnam High Income Government Trust/Putnam	—*	3.0	8.8	1,171	-69	6.75	0.82‡
B	•D	Putnam High Yield Trust/Putnam	—*	9.3	12.8	2,332	-4	††	0.57‡
		Putnam High Yield Trust II/Putnam	—*	6.5	11.4	299	228	6.75	NA‡
B	C	Putnam Income Fund/Putnam	9.9%	4.8	11.3	296	57	6.75	0.73‡
		Putnam US Govt Guaranteed Securities/Putnam	—*	8.9	10.1	1,245	33	4.75	0.56‡
F	A	Revere Fund/closed end	8.8	-3.2	10.8	38	-11	NA	1.45‡
		Righttime Fund-Govt Securities/Lincoln Invest	—*	—*	—*	8	—	none	a‡
		LF Rothschild Investment Grade Income/Rothschild	—*	—*	—*	16	—	3.00	1.25‡
		Royce Fund-High Yield/Quest	—*	3.5	11.6	18	82	1.00b,r	1.30‡
		RPF of America-Bond Fund/Venture	—*	5.3	9.2	72	52	5.00b	1.14‡
		Rushmore Fund-Ginnie Mae/Rushmore	—*	4.3	8.4	11	50	none	0.75‡
		Safeco US Government Securities/Safeco	—*	4.3	8.8	22	345	none	1.05‡
		St Clair Fixed Income-Intermediate Bond/Fairfield	—*	—*	—*	5	—	none	NA‡
		Scudder Government Mortgage Securities/Scudder	—*	6.8	8.8	262	44	none	1.05‡
C	C	Scudder Income Fund/Scudder	9.0	5.5	9.0	251	27	none	0.88‡
		Scudder Target Fund-General 1990/Scudder	—*	5.5	5.3	15	-2	none	1.25‡
		Scudder Target Fund-General 1994/Scudder	—*	7.5	6.3	8	35	none	1.45‡
		Scudder Target Fund-Government 1990/Scudder	—*	2.5	4.8	5	-12	none	1.41‡
		Security Income Fund-Corporate Bond/Security	—*	6.0	10.5	46	6	4.75	1.04‡
		Security Income Fund-High Yield/Security	—*	—*	—*	10	—	4.75	1.00‡
		Seligman High Inc-High Yield Bond/Seligman	—*	6.0	11.5	78	48	4.75	1.08p
		Seligman High Inc-Secured Mortgage/Seligman	—*	4.6	8.3	47	-4	4.75	1.06p
		Seligman High Inc-US Govt Guaranteed/Seligman	—*	-3.6	7.4	148	177	4.75	0.61‡
•C	•C	Sentinel Bond Fund/Equity Services	9.3	6.0	9.5	25	23	8.50	0.69‡
		Sentinel Government Securities Fund/Equity Service	—*	—*	—*	22	—	8.50	0.71‡
		Shearson High Yield Fund/Shearson	—*	8.4	11.3	563	17	5.00	0.78‡
		Shearson Lehman-Global Bond/Shearson	—*	—*	—*	163	—	5.00r	0.51‡
		Shearson Lehman-High Income Bond/Shearson	—*	—*	—*	206	—	5.00r	1.61p
		Shearson Lehman-Intermediate Govt Secs/Shearson	—*	3.6	6.1	41	16	5.00r	1.93‡
		Shearson Lehman-Long Term Government/Shearson	—*	2.7	6.5	1,719	35	5.00r	1.55‡
		Shearson Lehman-Mortgage Securities/Shearson	—*	—*	—*	57	—	5.00r	1.00p
		Shearson Lehman-Precious Metals & Mins/Shearson	—*	—*	—*	71	—	5.00	0.52p
		Shearson Managed Governments/Shearson	—*	6.8	8.5	1,403	-3	5.00	0.72p
		Sigma Income Shares/Sigma	—*	7.2	8.2	34	21	8.50	0.82‡
		Smith Barney-Income Return/Smith Barney	—*	5.3	8.8	66	67	1.25	0.28p

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Bond funds rated only if in operation since 11/30/80. •Fund rated for two periods only; maximum allowable grade A. *Fund not in operation for full period. ‡Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. ††Closed to new investors. †a All expenses absorbed by fund sponsor. †p Net of partial absorption of expenses by fund sponsor. †b Includes back end load that reverts to fund. †f Includes back end load that reverts to distributor. †NA Not applicable or not available. †NM Not meaningful.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Bond & Preferred

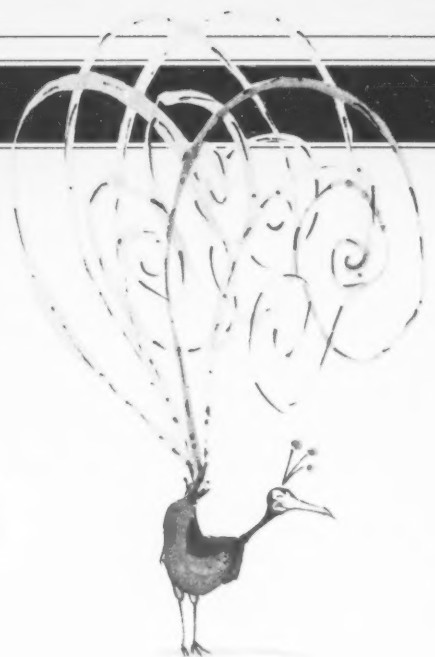
Performance in UP in —markets— DOWN		Fund/distributor	Investment results			Total assets		Maximum sales charge	Annual expenses per \$100
			Average annual total return 1976-87	Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
		Standard & Poor's 500 stock average	15.7%	21.1%	3.2%				
		FORBES bond and preferred stock composite	9.9%	6.1%	9.4%				
		Smith Barney-Monthly Pay Govt/Smith Barney	—*	6.0%	9.8%	\$25	388%	4.00%	\$0.26p
		Smith Barney-US Government/Smith Barney	—*	6.5	10.9	465	13	4.00	0.35p
		State Bond US Government Securities/State Bond	—*	6.1	8.4	12	95	5.00	1.00+
D	B	State Mutual Securities/closed end	9.7%	6.9	10.3	93	-1	NA	0.80+
		SteinRoe Governments Plus/Stein Roe	—*	4.2	7.5	23	89	none	1.00p
		SteinRoe High-Yield Bonds/Stein Roe	—*	7.8	10.1	92	188	none	1.00p
•A	•D	SteinRoe Managed Bonds/Stein Roe	—*	3.5	8.5	189	3	none	0.69p
		Strong Government Securities Fund/Strong	—*	—*	—*	6	—	none	0.60p
		Strong Income Fund/Strong	—*	8.3	9.9	180	300	none	0.90
		Thomson McKinnon Investment-Income/Thomson	—*	8.5	10.6	426	37	5.00r	1.60+
		Thomson McKinnon Investment-US Govt/Thomson	—*	5.0	9.0	878	262	5.00r	1.70+
A+	D	Transamerica Income Shares/closed end	10.8	7.0	10.0	120	-3	NA	0.66+
		20th Century Long-Term Bond/20th Century	—*	—*	—*	6	—	none	NA+
		20th Century T-E Intermediate/20th Century	—*	—*	—*	7	—	none	NA+
		20th Century Tax-Exempt Long Term/20th Century	—*	—*	—*	5	—	none	NA+
		20th Century US Govt Investors/20th Century	—*	5.1	8.2	336	84	none	1.01+
		UMB Bond Fund/Jones & Babson	—*	4.8	3.6	31	53	none	0.88+
A	D	United Bond Fund/Waddell & Reed	9.8	5.8	8.6	322	-6	8.50	0.64
		United Government Securities/Waddell & Reed	—*	1.3	9.0	176	31	4.00	0.72+
B	•D	United High Income Fund/Waddell & Reed	—*	9.1	12.5	1,310	11	++	0.76p
		United High Income Fund II/Waddell & Reed	—*	—*	—*	147	—	8.50	0.77p
		USAA Mutual-Income Fund/USAA	10.9	7.8	9.2	269	35	none	0.65p
B	C	USLife Income Fund/closed end	10.0	-2.2	12.3	52	-11	NA	1.29p
		UST Master Funds-Managed Income/Boston Co	—*	10.4	8.0	8	182	none	0.81p
		Value Line Aggressive Income Trust/Value Line	—*	6.4	12.8	66	258	none	1.33p
		Value Line US Government Securities/Value Line	—*	6.8	10.3	219	130	none	0.73p
		Van Kampen Merritt High Yield Fund/Van Kampen	—*	12.9	9.7	120	NM	4.90	0.85+
		Van Kampen Merritt US Government/Van Kampen	—*	6.4	9.0	5,305	85	4.90	0.56+
		Vanguard Bond Market Fund/Vanguard	—*	—*	—*	27	—	none	NA+
		Vanguard Convertible Securities Fund/Vanguard	—*	6.1	5.4	108	NM	none	0.80+
		Vanguard Fixed Income Secs-GNMA/Vanguard	—*	7.1	9.6	2,307	44	none	0.38+
C	•C	Vanguard Fixed Income Secs-High Yield/Vanguard	—*	9.5	11.5	1,207	18	none	0.45+
C	B	Vanguard Fixed Income Secs-Invest Grade/Vanguard	9.9	5.8	9.9	613	44	none	0.41+
		Vanguard Fixed Income Secs-Short Term/Vanguard	—*	6.1	7.6	426	58	none	0.38+
		Vanguard Fixed Income Secs-US Treasury/Vanguard	—*	-0.3	8.2	43	NM	none	0.35+
A	C	Vanguard Qualified Dividend II/Vanguard	10.3	7.4	9.0	142	17	none	0.58+
		Vanguard Qualified Dividend III/Vanguard	—*	6.3	6.3	126	-6	none	0.42+
•B	•A	Venture Income (+) Plus/Venture	—*	5.6	10.7	72	15	8.50	1.14+
B	B	Vestaur Securities/closed end	11.2	5.8	9.1	88	-3	NA	0.90+
		WPG Government Securities Fund/Weiss, Peck	—*	4.7	5.8	71	179	none	1.16+
		Yes Fund/Furman Selz	—*	1.9	10.4	116	-39	3.75	1.17+

Total return is for 9/30/76 to 6/30/87. Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Bond funds rated only if in operation since 11/30/80. •Fund rated for two periods only; maximum allowable grade A. +Fund not in operation for full period. -Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. ++Closed to new investors. p. Net of partial absorption of expenses by fund sponsor. r. Includes back-end load that reverts to distributor. NA Not applicable or not available. NM Not meaningful.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Municipal bond funds

Municipal bond funds in existence since June 1984 are graded for their three-year performance. It has been a mostly bullish period for the bond market, with declining interest rates. As a result, the funds with the biggest exposure to interest rate risk—that is, the ones with the longest-maturity bonds in their portfolios—have done the best. Shorter-term funds, taking less risk, haven't enjoyed the same performance since 1984. But if interest rates shoot up, forcing bond prices down, the shorter-term funds will suffer the least damage. Short-term and intermediate-term funds shouldn't be penalized for their caution; they are delivering what their shareholders expect of them. For this reason, we have adjusted the raw performance scores to put the funds on a more equal footing. A short-term fund that has done better than comparable short-term funds can get an A, even though it falls short of many long-term funds in total return. For similar reasons, we have awarded bonus points to funds with California-only and New York-only portfolios. Bonds from those states are a bit lower in yield, but they have tax advantages to residents of those states. Thanks to that adjustment, several of the double-tax-free funds got As. Our raw performance data for three-year performance come from Lipper Analytical Services. Other data are from CDA Investment Technologies.



Three-year performance	Fund/distributor	Date started	Investment results		Total assets 6/30/87 (millions)	% change '87 vs '86	Maximum sales charge	Annual expenses per \$100
			Latest 12 months return	return from income dividends				
	Shearson Lehman municipal bond index		8.6%	7.9%				
	FORBES municipal bond composite		5.8%	7.1%				
	Alliance Insured Calif Tax-Exempt Shares/Alliance	11/85	4.5%	7.6%	\$26	96%	4.00%	\$0.01p
	Alliance Tax-Free High Income/Alliance	12/86	—*	—*	12	—	4.00	a†
	Alliance Tax-Free Income-New York/Alliance	12/86	—*	—*	7	—	4.00	a†
	Alliance Tax-Free Shares/Alliance	2/77	7.7	7.7	109	6	4.00	0.86‡
	American Capital Calif Tax-Exempt/American Cap	1/86	4.0	7.2	13	50	4.75	0.70‡
C	American Capital Muni Bond Fund/American Cap	11/76	-1.4	8.1	187	31	4.75	0.62‡
	American Capital Tax-Exempt-Hi Yield/American Cap	1/86	1.5	8.8	172	101	4.75	0.55p
	American Capital Tax-Exempt-Insured/American Cap	1/86	1.2	7.2	22	19	4.75	0.63p
	American Capital Tax-Exempt-N Y/American Cap	1/86	2.4	7.3	11	110	4.75	0.80p
	American Funds T-E Series I-Maryland/American Fund	8/86	—*	—*	22	—	4.75	NA‡
	American Funds T-E Series I-Virginia/American Fund	8/86	—*	—*	21	—	4.75	0.49p
	American Funds T-E Series II-Calif/American Fund	10/86	—*	—*	28	—	4.75	NA‡
	AMEV Tax-Free Fund-Minnesota/AMEV Investors	6/86	4.8	6.5	7	509	4.50	1.00p
	AMEV Tax-Free Fund-National/AMEV Investors	6/86	6.0	6.5	14	750	4.50	1.00p
C	Babson Tax-Free Income-Long Term/Jones & Babson	2/80	4.4	7.3	22	5	none	1.00p
C	Babson Tax-Free Income-Short Term/Jones & Babson	2/80	6.9	6.0	16	22	none	1.00p
	Benham Calif Tax-Free-Insured/Benham	1/87	—*	—*	10	—	none	NAP
C	Benham Calif Tax-Free-Intermediate/Benham	11/83	5.3	6.2	166	57	none	0.70p
C	Benham Calif Tax-Free-Long-Term/Benham	11/83	4.5	7.3	186	16	none	0.67p

Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Municipal bond funds rated only if in operation since 6/30/84. *Fund not in operation for full period. †Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. ‡p. Net of partial absorption of expenses by fund sponsor. †All expenses absorbed by fund sponsor. NA Not applicable or not available.

Data sources: CDA Investment Technologies, Lipper Analytical Services

Table of distributors, showing addresses and phone numbers, begins on page 268.

Investment results								
Three-year performance	Fund/distributor	Date started	Latest 12 months return		Total assets		Maximum sales charge	Annual expenses per \$100
			total return	from income dividends	6/30/87 (millions)	% change '87 vs '86		
	Shearson Lehman municipal bond index		8.6%	7.9%				
	Forbes municipal bond composite		5.8%	7.1%				
	Benham Calif Tax-Free-High Yield/Benham	1/87	—*	—*	\$8	—	none	a
	Benham National Tax-Free-Intermediate/Benham	7/84	6.5%	6.4%	20	71%	none	\$0.50p
	Benham National Tax-Free-Long Term/Benham	8/84	3.6	7.5	24	16	none	0.26p
	Boston Co Tax-Free Muni-Bond/Boston Co	10/85	8.5	6.7	9	46	none	0.75t
	Boston Co Tax-Free Muni-Mass Bond/Boston Co	9/85	6.4	6.7	15	99	none	0.75t
A	Bull & Bear Tax-Free Income Fund/Bull & Bear	3/84	6.7	7.4	10	32	none	1.18t
	California Investment-Tax-Free Income/Calif Invest	12/85	7.8	7.8	38	202	none	0.23p
	California Muni Fund/Fundamental	11/84	3.0	7.8	7	28	none	1.14t
B	California Tax Exempt Bonds/National Secs	5/83	6.4	7.7	90	35	4.50%	0.56p
A	Calvert Tax-Free Reserves-Limited/Calvert	4/81	5.7	5.7	204	90	none	0.81t
C	Calvert Tax-Free Reserves-Long Term/Calvert	9/83	5.5	10.2	70	8	none	0.85t
	Carnegie Tax Exempt Income-Georgia Ins/Carnegie	3/86	5.3	7.0	10	151	4.50	0.32t ¹
	Carnegie Tax Exempt Income-Minnesota Ins/Carnegie	3/86	4.1	7.0	9	617	4.50	0.31t ¹
	Carnegie Tax Exempt Income-Natl High Yld/Carnegie	9/86	—*	—*	13	—	4.50	0.17t ¹
	Carnegie Tax Exempt Income-National Ins/Carnegie	3/86	4.6	7.0	7	46	4.50	0.41t ¹
	Carnegie Tax Exempt Income-Ohio General/Carnegie	9/86	—*	—*	14	—	4.50	0.05t ¹
	Carnegie Tax Exempt Income-Ohio Ins/Carnegie	3/86	2.6	6.9	12	707	4.50	0.23t ¹
B	Cigna Municipal Bond Fund/Cigna	3/77	5.1	7.4	262	12	5.00	0.78t
	Colonial California Tax-Exempt Trust/Colonial	6/86	4.2	8.0	114	NM	none	at
	Colonial Michigan Tax-Exempt Trust/Colonial	9/86	—*	—*	18	—	4.75	at
	Colonial Minnesota Tax-Exempt Trust/Colonial	9/86	—*	—*	13	—	4.75	at
	Colonial Municipal Income Trust/closed end	3/87	—*	—*	239	—	NA	NAt
	Colonial New York Tax-Exempt Trust/Colonial	9/86	—*	—*	23	—	4.75	at
	Colonial Ohio Tax-Exempt Trust/Colonial	9/86	—*	—*	23	—	4.75	at
A	Colonial Tax-Exempt-High Yield Fund/Colonial	11/78	7.1	7.8	1,370	19	4.75	1.05t
	Colonial Tax-Exempt-Insured Fund/Colonial	12/85	4.3	6.9	119	62	4.75	1.10p
	Columbia Municipal Bond Fund/Columbia	7/84	6.0	7.0	124	53	2.00b	0.65t
A	Composite Tax-Exempt Bond Fund/Murphy Favre	1/77	6.0	7.3	86	26	4.00	0.79t
	Counsellors New York Municipal Bond Fund/Warburg	4/87	—*	—*	6	—	none	0.50t
C	Country Capital Tax Exempt Bond/Country Capital	11/78	6.1	6.3	13	102	5.00	1.04t
	Criterion Tax-Free High Yield/Criterion	8/86	—*	—*	16	—	4.75	0.56p
	Criterion Tax Free Insured Quality/Criterion	6/83	1.9	6.9	32	13	4.75	1.29t
	DBL Tax-Free Fund-Limited Term/Drexel	4/85	6.8	6.5	85	40	1.50	0.74t
	DBL Tax-Free Fund-Long Term/Drexel	7/86	—*	—*	57	—	4.25	1.00t
	Dean Witter Calif Tax-Free Income/Dean Witter	7/84	7.8	6.4	380	40	5.00r	1.32t
	Dean Witter NY Tax-Free Income Fund/Dean Witter	4/85	6.5	6.5	120	30	5.00r	1.41t
A	Dean Witter Tax-Exempt Secs/Dean Witter	3/80	6.9	7.9	995	36	4.00	0.56t
C	DMC Tax-Free Income-Trust-PA/Delaware	3/77	6.4	7.5	429	75	4.75	0.75t

Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Municipal bond funds rated only if in operation since 6/30/84. *Fund not in operation for full period. †Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p Net of partial absorption of expenses by fund sponsor. b Includes back end load that reverts to distributor. r Includes back end load that reverts to distributor. NA: Not applicable or not available. NM: Not meaningful. ¹12b-1 plan in effect when assets exceed \$20 million.

Data sources: CIA Investment Technologies, Upper Analytical Services

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Municipal Bond

Three-year performance	Fund/distributor	Date started	Investment results		Total assets 6/30/87 (millions)	% change '87 vs '86	Maximum sales charge	Annual expenses per \$100
			Latest 12 months total return	return from income dividends				
	Shearson Lehman municipal bond index		8.6%	7.9%				
	FORBES municipal bond composite		5.8%	7.1%				
A	DMC Tax-Free Income-USA/Delaware	1/84	6.5%	8.0%	\$361	75%	4.75%	\$0.76†
	DMC Tax-Free Income-USA Insured/Delaware	3/85	6.0	7.1	44	57	4.75	0.73p
	Double Exempt Capital Conservation Fund/Voyageur	10/85	5.2	5.5	26	129	2.25	0.89p
B	Double Exempt Flex Fund/Voyageur	2/84	8.0	7.2	125	69	4.00	0.79
C	Dreyfus California Tax Exempt Bond/Dreyfus	7/83	5.7	7.4	1,230	25	none	0.70
C	Dreyfus General Tax Exempt Bond Fund/Dreyfus	3/84	2.7	7.7	43	5	none	0.77p
	Dreyfus Insured Tax Exempt Bond Fund/Dreyfus	6/85	3.9	7.1	193	28	none	0.84†
C	Dreyfus Intermediate Tax Exempt Bond/Dreyfus	8/83	7.8	7.2	1,135	21	none	0.71
	Dreyfus Massachusetts Tax Exempt Bond/Dreyfus	6/85	4.8	7.1	86	55	none	0.64
	Dreyfus NY Insured Tax Exempt Bond Fund/Dreyfus	2/87	—*	—*	17.2	—*	none	a
B	Dreyfus NY Tax Exempt Bond Fund/Dreyfus	7/83	6.0	7.4	1,584	29	none	0.71
	Dreyfus Short-Intermediate Tax Exempt/Dreyfus	4/87	—*	—*	9	—	none	NA†
C	Dreyfus Tax Exempt Bond Fund/Dreyfus	10/76	5.9	7.6	3,425	4	none	0.69†
	Eaton Vance California Municipals/Eaton Vance	12/85	6.3	7.5	198	210	6.00b,r	0.52p
	Eaton Vance High Yield Municipals/Eaton Vance	12/85	2.7	8.3	899	119	6.00b,r	0.75†
A	Eaton Vance Muni Bond Fund/Eaton Vance	3/78	7.0	7.5	55	18	4.75	0.81†
B	Empire Builder Tax Free Bond Fund/ITB	6/84	8.3	6.6	49	69	4.75	1.50p
	Federated Intermediate Municipal/Federated	12/85	6.2	5.8	121	168	none	NA
B	Federated Tax-Free Income Fund/Federated	10/76	6.1	7.3	271	42	none	0.95p
	Fidelity Calif Tax-Free-High Yield/Fidelity	7/84	3.3	7.2	452	42	none	0.68
	Fidelity Calif Tax-Free-Insured/Fidelity	9/86	—*	—*	36	—	none	0.45p
B	Fidelity Mass Tax-Free-High Yield/Fidelity	11/83	5.9	7.1	621	35	none	0.64p
	Fidelity NY Tax-Free-High Yield/Fidelity	7/84	5.3	7.1	357	72	none	0.60p
	Fidelity NY Tax-Free-Insured/Fidelity	10/85	3.2	6.7	168	132	none	0.60p
	Fidelity Pennsylvania Tax-Free-High Yld/Fidelity	8/86	—*	—*	39	—	none	0.30p
	Fidelity State Tax-Free-Michigan/Fidelity	11/85	5.3	7.4	141	128	none	0.60p
	Fidelity State Tax-Free-Minnesota/Fidelity	11/85	3.4	7.4	97	135	none	0.60p
	Fidelity State Tax-Free-Ohio/Fidelity	11/85	4.7	7.3	127	182	none	0.60p
	Fidelity Tax-Free-Aggressive/Fidelity	9/85	9.1	8.1	406	64	1.00r	0.65p
B	Fidelity Tax-Free-High Yield/Fidelity	12/77	5.8	7.7	1,885	6	none	0.57p
	Fidelity Tax-Free-Insured/Fidelity	11/85	4.2	6.8	154	133	none	0.60p
D	Fidelity Tax-Free-Limited Term Munis/Fidelity	4/77	6.9	6.4	530	32	none	0.68p
B	Fidelity Tax-Free-Municipal Bond/Fidelity	8/76	6.4	7.0	1,010	3	none	0.51p
	Fidelity Texas Tax-Free/Fidelity	1/86	6.1	7.7	31	123	none	0.65p
C	Financial Tax-Free Income Shares/Financial Prog	8/81	5.0	7.9	118	9	none	0.70p
	First Investors New York Tax Free/First Investors	6/84	3.3	7.1	97	54	7.25	1.13†
C	First Investors Tax Exempt Fund/First Investors	8/77	5.8	7.8	793	31	7.25	1.02†
	Flagship Tax Exempt-Arizona Double T-E/Flagship	10/86	—*	—*	34	—	4.20	0.84p
	Flagship Tax Exempt-Georgia Double T-E/Flagship	3/86	7.1	7.0	35	242	4.20	0.71†

Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Municipal bond funds rated only if in operation since 6/30/84. *Fund not in operation for full period. †Fund has shareholder-paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p: Net of partial absorption of expenses by fund sponsor. b: Includes back end load that reverts to fund. r: Includes back end load that reverts to distributor. NA: Not applicable or not available. †Formerly Fidelity Mass Tax Free Muni Fund.

Data sources: CDA Investment Technologies; Lipper Analytical Services

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Municipal Bond

Three-year performance	Fund/distributor	Date started	Investment results		Total assets 6/30/87 (millions)	% change '87 vs '86	Maximum sales charge	Annual expenses per \$100
			Latest 12 months return	from income dividends				
	Shearson Lehman municipal bond index		8.6%	7.9%				
	FORBES municipal bond composite		5.8%	7.1%				
	Flagship Tax Exempt-Kentucky Double T-E/Flagship	5/87	—*	—*	\$13	—	4.20%	\$0.18p
	Flagship Tax Exempt-Michigan Double T-E/Flagship	6/85	8.0%	6.9%	84	74%	4.20	0.78t
	Flagship Tax Exempt-NC Double T-E/Flagship	3/86	5.2	7.0	69	301	4.20	0.49t
	Flagship Tax Exempt-Ohio Double T-E/Flagship	6/85	7.3	7.2	160	95	4.20	0.76t
	Flagship Tax Exempt-Penn Triple T-E/Flagship	10/86	—*	—*	35	—	4.20	0.69t
	Flagship Tax Exempt-Virginia Double T-E/Flagship	3/86	7.0	6.8	34	125	4.20	0.68t
	Fortress High Yield Tax-Free Fund/Federated	4/87	—*	—*	19	—	none ¹	NA ²
	Franklin Calif Insured Tax-Free Income/Franklin	9/85	2.3	8.1	162	228	4.00	0.72
C	Franklin California Tax-Free Income/Franklin	2/77	6.4	8.1	7,976	38	4.00	0.50t
B	Franklin Federal Tax-Free Income/Franklin	9/83	5.7	8.7	2,520	181	4.00	0.54t
	Franklin High Yield Tax-Free Income Fund/Franklin	3/86	4.3	4.5	11	NM	none	at
	Franklin Insured Tax-Free Income Fund/Franklin	4/85	4.2	7.8	220	262	4.00	0.72t
	Franklin Mass Insured Tax-Free Income/Franklin	4/85	2.3	7.8	84	-67	4.00	0.75
	Franklin Mich Insured Tax-Free Income/Franklin	4/85	4.0	7.8	255	153	4.00	0.78t
	Franklin Minn Insured Tax-Free Income/Franklin	4/85	4.1	7.6	133	179	4.00	0.78t
A	Franklin New York Tax-Free Income Fund/Franklin	9/82	6.5	8.5	2,612	53	4.00	0.52t
	Franklin Ohio Insured Tax-Free Income/Franklin	4/85	3.7	7.6	191	264	4.00	0.80t
	Franklin Pennsylvania Tax-Free Income/Franklin	12/86	—*	—*	5	—	4.00	NA
	Franklin PR Tax-Free Income Fund/Franklin	4/85	3.6	8.2	45	NM	4.00	0.28p
	Freedom Investment-Managed T-E/Tucker Anthony	4/87	—*	—*	6	—	3.00t	NA ²
D	Fund for Tax-Free Investors-Intermediate/Rushmore	9/83	2.5	6.7	9	17	none	0.94t
D	Fund for Tax-Free Investors-Long Term/Rushmore	9/83	5.0	7.3	10	44	none	0.95t
	GIT Tax-Free Trust-High Yield/GIT	12/82	6.9	7.6	48	18	none	0.83t
	John Hancock Tax-Exempt Income Trust/Hancock	1/77	8.0	7.2	369	8	5.50	0.64t
	Hawaiian Tax-Free Trust/Aquila	2/85	7.1	7.1	198	89	4.00	0.85t
B	Hutton California Municipal Fund/Hutton	6/83	4.6	7.7	199	38	4.00	0.81t
A+	Hutton National Municipal Fund/Hutton	6/83	6.1	8.0	1,206	52	4.00	0.66t
C	Hutton New York Municipal Fund/Hutton	6/83	6.2	7.6	267	36	4.00	0.78t
	IDS California Tax-Exempt Fund/IDS	8/86	—*	—*	34	—	5.00	0.75p
A	IDS High Yield Tax-Exempt Fund/IDS	5/79	7.5	8.0	3,818	22	5.00	0.60p
	IDS Insured Tax-Exempt Fund/IDS	8/86	—*	—*	31	—	5.00	0.75p
	IDS Minnesota Tax-Exempt Fund/IDS	8/86	—*	—*	48	—	5.00	0.75p
	IDS New York Tax-Exempt Fund/IDS	8/86	—*	—*	19	—	5.00	0.75p
B	IDS Tax-Exempt Bond Fund/IDS	12/76	6.6	7.5	873	14	5.00	0.60t
	Integrated Tax-Free-Stripes ² /Integrated	11/85	6.0	7.4	129	8	4.75	0.87t
C	Investment Trust of Boston-Mass T-F Inc/ITB	3/84	7.5	7.0	53	36	4.25	1.25t
A	Kemper Calif Tax-Free Income Fund/Kemper	1/83	10.8	7.1	285	83	4.50	0.65
A	Kemper Muni Bond Fund/Kemper	4/76	10.3	7.6	1,215	53	4.50	0.54t

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Data sources: CDA Investment Technologies, Upper Analytical Services

Table of distributors, showing addresses and phone numbers, begins on page 268.

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1987

Fund Ratings/Municipal Bond

Three-year performance	Fund/distributor	Date started	Investment results	
			Latest 12 months total return	return from income dividends
	Shearson Lehman municipal bond index		8.6%	7.9%
	FORBES municipal bond composite		5.8%	7.1%
	Kemper Tax-Free Income-National/Kemper	12/85	8.0%	6.0%
	Keystone America Tax Free Income Fund/Keystone	4/87	—*	—*
	Keystone Tax Exempt Trust/Keystone	10/85	5.0	7.2
C	Keystone Tax Free Fund/Keystone	1/78	7.4	8.0
	Kidder Peabody Tax-Free Income-National/Kidder	12/85	6.2	7.1
	Kidder Peabody Tax-Free Income-New York/Kidder	12/85	5.7	6.9
	Landmark New York Tax Free Income/Landmark Funds	9/86	—*	—*
	Lexington Tax Exempt Bond-National/Lexington	7/86	—*	—*
	Limited Term Municipal Fund-California/Thornburg	2/87	—*	—*
	Limited Term Municipal Fund-National/Thornburg	8/84	6.8	6.5
	Lord Abnett California Tax-Free Income/Lord Abnett	9/85	6.0	7.6
B	Lord Abnett Tax-Free-National/Lord Abnett	4/84	7.8	7.9
B	Lord Abnett Tax-Free-New York/Lord Abnett	4/84	7.9	7.7
	Lord Abnett Tax-Free-Texas/Lord Abnett	1/87	—*	—*
	Merrill Lynch California Tax-Exempt/ML Funds	9/85	5.6	6.6
B	Merrill Lynch Muni Bond-High Yield/ML Funds	11/79	8.0	7.9
C	Merrill Lynch Muni Bond-Insured/ML Funds	11/77	6.9	7.5
C	Merrill Lynch Muni Bond-Ltd Maturity/ML Funds	11/79	5.0	5.3
	Merrill Lynch Municipal Income Fund/ML Funds	11/86	—*	—*
	Merrill Lynch New York Municipal Bond/ML Funds	11/85	6.3	6.6
	MetLife-State Street High Income T-E/MetLife	8/86	—*	—*
	MFS Managed California Tax-Exempt/Mass Finl	6/85	5.5	6.3
D	MFS Managed High Yield Muni Bond/Mass Finl	2/84	5.2	9.4
	MFS Managed M-S Tax-Exempt-Maryland/Mass Finl	11/84	6.8	6.6
	MFS Managed M-S Tax-Exempt-Mass/Mass Finl	11/84	7.4	6.9
	MFS Managed M-S Tax-Exempt-NC/Mass Finl	11/84	6.4	6.7
	MFS Managed M-S Tax-Exempt-SC/Mass Finl	11/84	9.5	7.0
	MFS Managed M-S Tax-Exempt-Virginia/Mass Finl	11/84	8.2	6.8
	MFS Managed M-S Tax-Exempt-W Va/Mass Finl	11/84	6.6	7.5
A	MFS Managed Muni Bond Trust/Mass Finl	10/76	8.3	7.2
	MFS Municipal Income Trust/closed end	11/86	—*	—*
D	Midwest Group Tax Free-Limited Term/MGF	9/81	5.3	5.6
	Midwest Group Tax Free-Ohio Long Term/MGF	4/85	6.7	7.0
	Muni Bond Funds-California/Smith Barney	4/87	—*	—*
	Muni Bond Funds-National/Smith Barney	9/86	—*	—*
	Muni Bond Funds-New York/Smith Barney	2/87	—*	—*
A	Mutual of Omaha Tax-Free Income/Mutual of Omaha	1/77	7.4	7.5
A	National Securities Tax Exempt Bonds/National Secs	11/76	7.2	7.6

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Data sources: CDA Investment Technologies, Upper Analytical Service

Table of distributors, showing addresses and phone numbers, begins on page 268.

Total assets 6/30/87 (millions)	% change '87 vs '86	Maximum sales charge	Annual expenses per \$100
---------------------------------------	------------------------	----------------------------	---------------------------------

\$13	63%	3.50%	\$1.55p
6	—	2.00r	NA*
493	104	4.00b	1.02*
964	5	4.00+†b	0.83*
26	57	4.00	0.78p
11	28	4.00	0.77p
97	—	none	a*
12	—	none	a*
6	—	2.75	0.85*
127	111	2.75	1.00*
67	77	4.75	0.27p
263	74	4.75	0.60p
117	41	4.75	0.64p
14	—	4.75	a
656	68	4.00r	0.59*
1,807	39	4.00	0.56*
2,239	28	4.00	0.60*
796	27	0.75	0.42*
212	—	2.00r	0.73*
702	76	4.00r	1.14*
27	—	4.50	1.25p
59	136	4.75	1.04*
395	14	††	1.00*
82	56	4.75	1.10*
232	67	4.75	0.87*
109	52	4.75	1.07*
31	90	4.75	0.99*
190	54	4.75	1.02*
36	68	4.75	0.87*
959	38	4.75	0.60*
319	—	NA	1.04*
32	146	2.00	1.06*
18	39	4.00	1.09*
6	—	4.00	0.44p
75	—	4.00	0.44p
11	—	4.50	0.45p
294	45	8.00	0.61p
84	21	4.50	0.79p

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Fund Ratings/Municipal Bond

Three-year performance	Fund/distributor	Date started	Investment results		Total assets		Maximum sales charge	Annual expenses per \$100
			Latest 12 months total return	return from income dividends	6/30/87 (millions)	% change '87 vs '86		
	Shearson Lehman municipal bond index		8.6%	7.9%				
	FORBES municipal bond composite		5.8%	7.1%				
	Nationwide Tax-Free Fund/Nationwide	3/86	4.2%	6.8%	\$ 35	389%	5.00%r	\$0.91p
	New England Tax Exempt Income Fund/New England	5/77	4.8	7.3	127	34	4.50	0.85z
L	New York Muni Fund/New York Muni	4/81	1.0	7.5	256	19	none	1.14z
	Nuveen California Tax-Free-Insured Bond/Nuveen	7/86	—*	—*	16	—	4.00	0.17p
	Nuveen California Tax-Free-Special Bond/Nuveen	7/86	—*	—*	19	—	4.00	0.18p
	Nuveen Insured Tax-Free Bond-National/Nuveen	12/86	—*	—*	22	—	4.00	a
	Nuveen Insured Tax-Free Bond New-York/Nuveen	12/87	—*	—*	10	—	4.00	a
B	Nuveen Municipal Bond Fund/Nuveen	11/76	7.4	7.1	762	25	4.00	0.69p
	Nuveen Municipal Value Fund/closed end	6/87	—*	—*	1,403	—	NA	NA
	Nuveen Tax-Free Bond-Massachusetts/Nuveen	12/86	—*	—*	5	—	4.00	0.08p
	Nuveen Tax-Free Bond-New York/Nuveen	12/86	—*	—*	7	—	4.00	0.09p
	Nuveen Tax-Free Bond-Ohio/Nuveen	12/86	—*	—*	7	—	4.00	0.08p
	Oppenheimer New York Tax-Exempt/Oppenheimer Inv	8/84	7.1	6.7	72	54	4.75	0.76
A	Oppenheimer Tax-Free Bond Fund/Oppenheimer Inv	10/76	7.0	6.8	136	27	4.75	0.78p
C	Pacific Horizon-Calif Tax-Exempt Bond/Dreyfus	3/84	5.0	7.0	94	25	none	1.13z
	PaineWebber Calif T-E Income Fund/PaineWebber	9/85	7.6	7.1	162	33	4.25	0.67p
	PaineWebber Tax-Exempt Income/PaineWebber	12/84	7.8	7.2	383	47	4.25	0.72p
	Park Ave NY Tax Exempt Intermed Bond/Dreyfus	11/84	7.3	6.0	66	57	none	0.79z
	Pierpont Tax Exempt Bond Fund/Morgan Stanley	10/84	NA	NA	200 ¹	NA	NA	0.80p
	Pioneer Municipal Bond Fund/Pioneer	10/86	—*	—*	11	—	4.50	NA
	T Rowe Price Maryland Tax-Free Bond/Price	3/87	—*	—*	28	—	none	0.85z
	T Rowe Price New York Tax-Free Bond/Price	8/86	—*	—*	23	—	none	1.00z
	T Rowe Price Tax-Free California Bond/Price	9/86	—*	—*	32	—	none	1.00p
	T Rowe Price Tax-Free High Yield Fund/Price	3/85	8.8	7.7	271	54	none	0.92p
D	T Rowe Price Tax-Free Income Fund/Price	11/76	4.8	7.4	1,214	-5	none	0.60
B	T Rowe Price Tax-Free Short Intermediate/Price	12/83	5.1	5.5	298	43	none	0.69p
	Principal Preservation-Hedged Tax-Exempt/Ziegler	8/84	8.6	7.0	133	-2	4.50	1.10z
	Principal Preservation-Insured T-E Plus/Ziegler	9/86	—*	—*	17	—	4.50	at
	Princor Tax-Exempt Bond Fund/Princor	4/86	5.7	7.0	20	133	4.50	0.71z
	Prudential-Bache California Municipal/Pru-Bache	9/84	5.4	6.8	143	44	5.00r	1.06p
	Prudential-Bache Muni-Arizona/Pru-Bache	9/84	6.0	6.7	50	41	5.00r	1.12p
	Prudential-Bache Muni-Georgia/Pru-Bache	9/84	5.8	7.0	25	12	5.00r	1.12p
	Prudential-Bache Muni-Maryland/Pru-Bache	1/85	4.4	6.7	32	55	5.00r	1.01p
	Prudential-Bache Muni-Massachusetts/Pru-Bache	9/84	4.2	6.8	40	32	5.00r	1.15p
	Prudential-Bache Muni-Michigan/Pru-Bache	9/84	7.2	6.9	41	43	5.00r	1.14p
	Prudential-Bache Muni-Minnesota/Pru-Bache	10/84	7.4	6.7	16	78	5.00r	0.97p
	Prudential-Bache Muni-New York/Pru-Bache	9/84	3.8	6.9	310	39	5.00r	1.08z
	Prudential-Bache Muni-N Carolina/Pru-Bache	2/85	4.7	6.7	38	74	5.00r	1.00p
	Prudential-Bache Muni-Ohio/Pru-Bache	9/84	4.1	6.9	75	64	5.00r	1.13p
	Prudential-Bache Muni-Oregon/Pru-Bache	9/84	4.0	6.6	11	69	5.00r	0.97p

Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Municipal bond funds rated only if in operation since 6/30/84. *Fund not in operation for full period. †Fund has shareholder-paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. a: All expenses absorbed by fund sponsor. p: Net of partial absorption of expenses by fund sponsor. r: Includes back end load that reverts to distributor. NA: Not applicable or not available. ¹Assets at 2/28/87.

Data sources: CDA Investment Technologies, Lipper Analytical Services

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Municipal Bond

Three-year performance	Fund/distributor	Date started	Investment results		Total assets 6/30/87 (millions)	% change '87 vs '86	Maximum sales charge	Annual expenses per \$100
			Latest 12 months total return	return from income dividends				
	Shearson Lehman municipal bond index		8.6%	7.9%				
	FORBES municipal bond composite		5.8%	7.1%				
	Prudential-Bache Muni-Pennsylvania/Pru-Bache	5/87	—*	—*	\$ 11	—	5.00%r	NA†
	Prudential-Bache National Municipals/Pru-Bache	6/80	6.7%	7.2%	1,150	35%	5.00r	\$0.90†
B	Putnam California Tax Exempt Income/Putnam	6/83	6.1	7.7	1,121	56	4.75	0.53†
	Putnam Massachusetts Tax Exempt Income/Putnam	10/86	—*	—*	40	—	2.50r	NA†
	Putnam Michigan Tax Exempt Income/Putnam	10/86	—*	—*	20	—	2.50r	NA†
	Putnam Minnesota Tax Exempt Income/Putnam	10/86	—*	—*	15	—	2.50r	NA†
A	Putnam New York Tax Exempt Income Fund/Putnam	9/83	6.0	7.7	994	64	4.75	0.56
	Putnam Ohio Tax Exempt Income/Putnam	10/86	—*	—*	55	—	2.50r	NA†
B	Putnam Tax Exempt Income Fund/Putnam	11/76	5.4	7.6	951	86	4.75	0.53†
	Putnam Tax-Free Income-High Yield/Putnam	9/85	6.0	7.3	571	230	5.00r	NA†
	Putnam Tax-Free Income-Insured/Putnam	9/85	4.6	6.1	260	373	5.00r	NA†
A	Safeco California Tax Free Income Fund/Safeco	8/83	6.2	7.3	28	31	none	0.74†
A	Safeco Municipal Bond Fund/Safeco	11/81	8.9	7.6	185	24	none	0.62
B	Scudder California Tax Free Fund/Scudder	7/83	5.5	7.0	157	22	none	0.84†
B	Scudder Managed Municipal Bonds/Scudder	10/76	7.5	7.3	645	10	none	0.58†
D	Scudder New York Tax Free Fund/Scudder	7/83	6.3	7.1	125	27	none	0.88†
C	Scudder Tax-Free Target-1987/Scudder	4/83	4.1	5.0	26	-15	none	0.94†
A	Scudder Tax-Free Target-1990/Scudder	4/83	6.7	5.6	131	88	none	0.82
A	Scudder Tax-Free Target-1993/Scudder	4/83	7.6	6.0	141	82	none	0.81†
	Scudder Tax Free Target-1996/Scudder	4/85	7.2	6.1	27	111	none	1.00†
D	Security Tax-Exempt Fund/Security	10/83	4.3	7.9	18	67	4.75	1.00†
	Seligman Calif T-E-High Yield/Seligman	11/84	7.8	7.5	63	39	4.50	0.66p
	Seligman Calif T-E-Quality/Seligman	11/84	6.5	7.1	63	33	4.50	0.67p
	Seligman Penn Tax-Exempt-High Yield/Seligman	7/86	—*	—*	13	—	4.75	NA†
	Seligman Penn Tax-Exempt-Quality/Seligman	7/86	—*	—*	32	—	4.75	NA†
	Seligman Tax-Exempt-Colorado/Seligman	5/86	8.3	7.7	88	117	4.75	0.55†
	Seligman Tax-Exempt-Florida/Seligman	11/86	—*	—*	25	—	4.75	0.47p
	Seligman Tax-Exempt-Louisiana/Seligman	10/85	8.9	7.3	53	27	4.75	0.62p
	Seligman Tax-Exempt-Maryland/Seligman	10/85	5.3	6.8	55	48	4.75	0.59p
C	Seligman Tax-Exempt-Massachusetts/Seligman	12/83	6.9	7.3	141	26	4.75	0.78
	Seligman Tax-Exempt-Michigan/Seligman	7/84	7.2	7.3	115	33	4.75	0.82
C	Seligman Tax-Exempt-Minnesota/Seligman	12/83	6.2	7.2	125	36	4.75	0.90p
	Seligman Tax-Exempt-Missouri/Seligman	7/86	—*	—*	65	—	4.75	0.86p
A	Seligman Tax-Exempt-National/Seligman	12/83	7.0	7.6	142	48	4.75	0.76
B	Seligman Tax-Exempt-New York/Seligman	12/83	7.1	7.3	79	36	4.75	0.79
B	Seligman Tax-Exempt-Ohio/Seligman	12/83	8.4	7.4	128	30	4.75	0.80
	Seligman Tax-Exempt-Oregon/Seligman	10/86	—*	—*	27	—	4.75	0.42p
C	Shearson California Municipals/Shearson	4/84	5.7	7.4	169	36	5.00	0.67p

Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Municipal bond funds rated only if in operation since 6/30/84. *Fund not in operation for full period. †Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p. Net of partial absorption of expenses by fund sponsor. r. Includes back end load that reverts to distributor. NA. Not applicable or not available.

Data sources: CDA Investment Technologies, Lipper Analytical Services

Table of distributors, showing addresses and phone numbers, begins on page 268.

Investment results

Three-year performance	Fund/distributor	Date started	Latest 12 months return		Total assets		Maximum sales charge	Annual expenses per \$100
			total return	from income dividends	6/30/87 (millions)	% change '87 vs '86		
	Shearson Lehman municipal bond index		8.6%	7.9%				
	FORNES municipal bond composite		5.8%	7.1%				
	Shearson Lehman-Tax Exempt Income/Shearson	9/85	4.6%	6.6%	\$446	32%	5.00% ^r	\$1.67 ⁺
B	Shearson Managed Municipals/Shearson	3/81	7.3	7.7	684	26	5.00	0.59 ⁺
A	Shearson New York Municipals/Shearson	1/84	7.0	7.5	232	38	5.00	0.68 ⁺
A	Sigma Tax-Free Bond Fund/Sigma	8/79	5.5	7.0	15	25	4.75	1.03 ⁺
	State Bond Tax Exempt Fund/State Bond	5/84	6.1	7.3	34	80	4.50	0.96 ⁺
A	SteinRoe High Yield Municipals/Stein Roe	3/84	7.3	7.7	210	63	none	0.76 ⁺
	SteinRoe Intermediate Municipals/Stein Roe	10/85	6.5	5.4	109	85	none	0.94 ^p
	SteinRoe Managed Municipals/Stein Roe	2/77	7.9	7.3	490	18	none	0.65 ^p
	Strong Tax-Free Income Fund/Strong	10/86	— [*]	— [*]	20	—	none	0.70 ^p
C	Tax-Exempt Bond Fund of America/American Funds	10/79	6.3	7.2	332	51	4.75	0.59 ^p
	Tax-Free Trust of Arizona/Aquila	3/86	7.1	7.2	75	478	4.00	0.44 ^p
	Tax-Free Trust of Oregon/Aquila	6/86	5.0	7.2	89	NM	4.00	0.61 ^p
	Thomson McKinnon Investment-Tax Exempt/Thomson	11/85	7.0	6.3	70	59	5.00 ^r	1.70 ⁺
A	Unified Municipal Fund-General/Unified	4/85	6.0	7.5	7	40	none	1.06 ⁺
	Unified Municipal Fund-Indiana/Unified	4/85	6.8	6.9	11	34	none	1.00 ⁺
	United Municipal Bond Fund/Waddell & Reed	11/76	5.9	7.5	440	18	4.00	0.61 ⁺
	United Municipal High Income/Waddell & Reed	1/86	8.3	8.4	65	241	4.00	0.75 ⁺
	United Services-Tax Free Fund/United Services	11/84	5.2	6.0	8	226	none	a ⁺
C	USAA Tax Exempt Fund-High Yield/USAA	3/82	5.8	8.1	868	32	none	0.49 ⁺
D	USAA Tax Exempt Fund-Intermediate Term/USAA	3/82	5.7	7.2	339	55	none	0.60 ⁺
B	USAA Tax Exempt Fund-Short Term/USAA	3/82	5.1	5.8	255	41	none	0.57 ⁺
	UST Master Tax-Exempt Fund-Intermediate/Boston Co	12/85	7.5	6.2	36	271	none	0.81 ^p
	UST Master Tax-Exempt Funds-Long Term/Boston Co	2/86	9.2	6.8	8	145	none	0.80 ^p
	Value Line Tax Exempt-High-Yield/Value Line	3/84	7.4	8.2	270	73	none	0.68 ^p
	Van Kampen Merritt Cal Insured Tax-Free/Van Kampen	12/85	4.2	7.1	26	375	4.90	0.16 ^p
	Van Kampen Merritt Insured Tax Free/Van Kampen	12/84	5.3	7.3	512	83	4.90	0.76 ⁺
	Van Kampen Merritt Tax-Free High Income/Van Kampen	6/85	10.0	8.2	318	185	4.90	0.67 ⁺
	Vanguard California Tax-Free Insured LT/Vanguard	4/86	3.8	7.1	93	472	none	0.33 ⁺
A	Vanguard Muni Bond-High Yield/Vanguard	12/78	6.3	8.0	809	19	none	0.33 ⁺
	Vanguard Muni Bond-Insured Long Term/Vanguard	9/84	6.4	7.6	795	29	none	0.33 ⁺
B	Vanguard Muni Bond-Intermediate/Vanguard	9/77	7.4	7.2	906	33	none	0.33 ⁺
B	Vanguard Muni Bond-Long-Term/Vanguard	9/77	6.4	7.8	632	13	none	0.33 ⁺
C	Vanguard Muni Bond-Short-Term/Vanguard	9/77	5.5	5.2	1,083	28	none	0.33 ⁺
	Vanguard New York Insured Tax-Free/Vanguard	4/86	3.4	6.9	81	713	none	0.34 ⁺
	Vanguard Pennsylvania Insured Tax-Free/Vanguard	4/86	5.4	7.1	203	349	none	0.33 ⁺
	Venture Muni (+) Plus/Venture	2/82	2.2	8.8	50	119	5.00 ^b	1.25 ⁺

Funds are added to this section when assets exceed \$5 million and deleted when assets drop below \$2 million. Municipal bond funds rated only if in operation since 6/30/84. *Fund not in operation for full period. †Fund has shareholder paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p Net of partial absorption of expenses by fund sponsor. a All expenses absorbed by fund sponsor. b Includes back end load that reverts to fund. r Includes back end load that reverts to distributor. NM Not meaningful.

Data sources: CDA Investment Technologies; Lipper Analytical Services

Table of distributors, showing addresses and phone numbers, begins on page 268.

Money market funds

Money market funds are divided into three groups: those investing mainly in federal obligations (see table below); those without investment restrictions (see p. 255); and those that buy federally tax-exempt paper (see p. 262). Our tables omit the column on loads, as they are rare. More

common is a hidden sales cost authorized by a 12b-1 plan, which we suggest avoiding if possible. Funds with 12b-1s show a double dagger (‡) by the expense figure. For more information, contact the distributor, using the distributor table that begins on page 268.

Portfolio average maturity days	Fund/distributor	Date started	Latest 12 months return from income dividends	Total assets 6/30/87 (millions)	% change '87 vs '86	Minimum initial investment	Annual expenses per \$100
	FORBES government money fund composite		5.5%				
	FORBES general money fund composite		5.6%				
	FORBES tax-free money fund composite		3.9%				
Money market funds specializing in U.S. government paper							
51	Active Assets Govt Secs Trust/Dean Witter	7/81	5.5%	\$178	-3%	†	\$0.72‡
52	Alliance Government Reserves/Alliance	7/79	5.4	260	2	\$1,000	0.95‡
45	Alex Brown Cash Reserve-Govt/Brown & Sons	4/82	5.7	238	55	1,500	0.45‡
60	Capital Preservation Fund/Benham	10/72	5.4	1,769	-1	1,000	0.62
1	Capital Preservation Fund II/Benham	6/80	5.4	477	2	1,000	0.73p
10	Cardinal Government Securities Trust/Ohio Co	9/80	5.8	420	3	1,000	0.75
62	Carnegie Govt Secs-Money Market/Carnegie	4/80	5.6	142	-5	1,000	0.63
28	Cash Accumulation-National Government/Thomson	11/84	5.4	55	15	1,000	0.71‡
15	Cash Equivalent Fund-Govt/Kemper	12/81	5.7	958	54	1,000	0.68‡
12	Centennial Government Trust/Centennial	11/81	5.2	67	-15	1,000	0.96‡
12	Colonial Government Money Market Trust ¹ /Colonial	1/81	5.4	66	183	2,500	1.00
55	CMA Government Securities Fund/MLPF&S	8/81	5.5	1,929	-1	†	0.59‡
52	Command Government Fund/Command	2/82	5.5	131	16	†	0.75‡
40	Current Interest-US Govt/Criterion	9/82	5.1	67	-26	1,000	0.91‡
62	DBL Cash Fund-Govt Secs/Drexel	3/82	5.8	303	18	1,000	0.63‡
47	Dean Witter/Sears US Govt MM Trust/Dean Witter	2/82	5.3	537	15	1,000	0.93‡
90	Dreyfus MM Instruments-Govt Secs/Dreyfus	5/79	5.6	793	-20	2,500	0.64
45	Fidelity US Government Reserves/Fidelity	11/81	5.6	857	70	1,000	0.81
4	First Lakeshore Government Money Market/Dreyfus	5/87	— [*]	66	—	1,000	NA‡
29	First Variable Rate Fund for Govt Income/Calvert	12/76	4.5	442	-10	2,000	0.88
1	Franklin Federal Money Fund/Franklin	5/80	5.1	137	-10	2,000	1.03‡
15	Fund for Govt Investors/Rushmore	3/75	5.3	616	-15	2,500	0.73
23	Government Investors Trust/GIT	7/79	5.3	185	-16	1,000	1.06p
6	Hilliard-Lyons Government Fund/Hilliard	1/81	5.2	94	-1	3,000	0.88
48	Hutton Government Fund/Hutton	6/82	5.5	1,162	10	10,000	0.91‡
14	Kemper Government MM Fund/Kemper	11/81	5.6	111	17	1,000	0.68
39	Kidder Peabody Government Money Fund/Kidder	5/83	5.4	189	2	1,500	0.62
9	Lazard Frères-Government Fund/Lazard	10/81	5.6	632	24	2,500	0.60‡
44	Liberty US Govt Money Market Trust/Federated	6/80	5.2	1,442	-25	2,500	1.01
21	Mass Cash Management-Govt/Mass Finl	2/82	5.3	55	8	1,000	0.69
44	Merrill Lynch Government Fund/ML Boston	9/77	5.5	1,622	-5	5,000	0.43
55	Merrill Lynch USA Govt Reserves/ML Funds	11/82	5.4	235	-1	5,000	0.67‡

Funds are included in this section when they exceed \$50 million in net assets and have a minimum initial investment less than \$100,000. Fund must be open to individual investors. *Fund not in operation for full period. †Fund is offered as part of an integrated financial service account that has a minimum initial investment. ‡Fund has shareholder-paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force. p Net of partial absorption of expenses by fund sponsor. ¹Formerly Colonial Money Market Trust. NA Not applicable or not available.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Portfolio average maturity days	Fund/distributor	Date started	Latest 12 months return from income dividends	Total assets 6/30/87 (millions)	% change '87 vs '86	Minimum initial investment	Annual expenses per \$100
	FORBES government money fund composite		5.5%				
	FORBES general money fund composite		5.6%				
	FORBES tax-free money fund composite		3.9%				

Money market funds specializing in U.S. government paper

56	Midwest Income-Short Term Govt/MGF	12/74	5.1%	\$135	-2%	\$1,000	\$1.00±
51	National Liquid Reserves-Government/Smith Barney	5/84	5.6	117	14	1,000	0.54
58	Neuberger & Berman Govt Money/Neuberger	11/83	5.0	142	33	2,000	0.75±
47	Pacific Horizon-Government MM/Dreyfus	3/84	5.6	1,293	44	1,000	0.55±
52	PaineWebber RMA-US Govt/PaineWebber	10/82	5.3	241	18+	+	0.76
33	Pinnacle Government-Portfolio I/Florida Mutual	10/80	5.8	98	35	1,000	0.68±
38	T Rowe Price US Treasury Money Fund/Price	6/82	4.9	187	26	1,000	1.11
52	Prudential-Bache Govt Secs-MM/Fru-Bache	1/82	5.5	342	1	1,000	0.70±
22	Renaissance Assets Trust-Govt/First of Mich	7/82	5.6	103	8	1,000	0.62±
1	Reserve Fund-Government/Resrv	10/81	5.6	346	-1	1,000	0.96±
49	Scudder Government Money Fund/Scudder	11/81	5.0	143	-9	1,000	0.84
1	Seligman Cash Management-Government/Seligman	1/82	5.5	51	89	2,000	0.72
72	Shearson FMA Government Fund/Shearson	2/82	5.7	455	20	+	0.64
71	Shearson Government & Agencies/Shearson	10/80	5.4	1,834	13	2,500	0.64
33	Short Term Income Fund-Government/Reich & Tang	11/82	5.3	233	13	5,000	0.75±
55	Summit Cash Reserves Fund/ML Funds	12/82	5.7	642	4	5,000	0.74±
46	Tucker Anthony Govt Securities/Tucker Anthony	2/82	5.3	188	1	1,000	0.70
42	UMB Money Market-Federal/Jones & Babson	11/82	5.7	107	3	1,000	0.51
69	United Services-US Treasury Secs/United Services	2/82	4.6	104	42	100	1.32
92	UST Master Funds-Government Money/Boston Co	5/85	5.7	136	48	10,000	0.56
39	Vanguard MM Reserves-Federal/Vanguard	7/81	5.7	828	22	1,000	0.48
57	Vantage Money Market-Government/Smith Barney	10/82	5.5	80	31	+	0.60

General money market funds

50	Active Assets Money Trust/Dean Witter	7/81	5.8	2,309	3	+	0.54±
57	Alliance Capital Reserves/Alliance	7/78	5.5	1,458	22	1,000	0.99±
39	American Capital Reserve Fund/American Cap	7/74	5.6	291	-6	1,000	0.92
39	AMEV Money Fund/AMEV Investors	11/79	5.4	64	-16	1,000	0.95±
21	Axe-Houghton Money Market Fund/Axe Securities	9/81	5.1	76	356	1,000	1.50±
39	Babson Money Market Fund-Prime/Jones & Babson	3/80	5.4	58	2	1,000	0.88
28	Birr, Wilson Money Fund/Birr	3/81	5.2	67	5	1,000	1.15±
39	Boston Co Cash Mgmt Fund/Boston Co	8/79	5.6	252	2	1,000	0.85±
35	Alex Brown Cash Reserve-Prime/Brown & Sons	8/81	5.7	830	18	1,500	0.55±
87	Bull & Bear Dollar Reserves/Bull & Bear	6/80	5.5	90	18	1,000	1.17±
25	Calvert Social Invest-Money Market/Calvert	11/82	5.4	64	18	1,000	0.84±
18	CAM Fund/CAM Fund	9/81	5.2	52	8	none	1.33
11	Capital Cash Management Trust/Aquila	7/74	5.7	101	31	1,000	0.71±
21	Cash Accumulation-National MM/Thomson	11/84	5.7	1,880	0	1,000	0.75±
28	Cash Assets Trust/Aquila	11/84	5.7	173	140	1,000	0.69±
41	Cash Equivalent Fund-MM/Kemper	3/79	5.6	5,501	4	1,000	0.77±
22	Cash Management Trust of America/American Funds	11/76	5.8	718	9	5,000	0.51

Funds are included in this section when they exceed \$50 million in net assets and have a minimum initial investment less than \$100,000. Fund must be open to individual investors. +Fund is offered as part of an integrated financial service account that has a minimum initial investment. ±Fund has shareholders paid 12b-1 plan exceeding 0.1% (hidden load) pending or in force.

Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Money Market

Portfolio average maturity days	Fund/distributor	Date started	Latest 12 months return from income dividends	Total assets		Minimum initial investment	Annual expenses per \$100
				6/30/87 (millions)	% change '87 vs '86		
	FORBES government money fund composite		5.5%				
	FORBES general money fund composite		5.6%				
	FORBES tax-free money fund composite		3.9%				
General money market funds							
54	Cash Reserve Management/Hutton	1/77	5.9%	\$3,811	-6%	\$10,000	\$0.60±
58	CBA Money Fund/ML Funds	6/84	5.8	210	56	†	0.41p
20	Centennial Money Market Trust/Centennial	11/81	5.4	191	11	1,000	1.08±
25	Churchill Cash Reserves Trust/Aquila	7/85	5.8	190	102	1,000	0.65±
40	Cigna Cash Fund/Cigna	9/82	5.9	61	49	1,000	0.58±
54	Cigna Money Market Fund/Cigna	1/75	5.8	175	-3	1,000††	0.75±
57	CMA Money Fund/MLPF&S	9/77	5.7	17,819	-2	†	0.56±
30	Columbia Daily Income Company/Columbia	11/74	5.4	397	-8	1,000	0.81±
37	Command Money Fund/Command	2/82	5.7	1,382	9	†	0.66±
26	Composite Cash Management/Murphey Favre	11/79	5.4	131	2	1,000	0.98±
28	Connecticut Mutual-Liquid Account/Conn Mutual	3/82	5.3	69	2	1,000	1.00p
30	Cortland Trust-General Money Market/Cortland	7/85	5.4	282	-6	1,000	1.00±
43	Counsellors Cash Reserve Fund/Warburg Pincus	4/85	5.9	156	29	1,000	0.45p
40	Current Interest-Money Market/Criterion	6/74	5.4	735	-21	1,000	0.99±
20	Daily Cash Accumulation Fund/Centennial	7/78	5.6	2,533	0	1,000	0.79±
32	Daily Dollar Reserves/Reich & Tang	6/83	5.5	238	-1	5,000	0.84±
32	Daily Income Fund/Reich & Tang	7/74	5.6	495	2	5,000	0.65±
61	DBL Cash Fund-Money Market/Drexel	2/81	5.7	1,436	-3	1,000	0.64±
52	Dean Witter/Sears Liquid Asset/Dean Witter	9/75	5.7	6,768	1	5,000	0.64±
42	Delaware Cash Reserve/Delaware	6/78	5.5	981	-21	1,000	0.90
41	Dreyfus Liquid Assets/Dreyfus	1/74	5.7	7,232	-7	2,500	0.65
35	Dreyfus M M Instruments-Money Market/Dreyfus	4/75	5.7	517	-21	50,000	0.67
31	Eaton Vance Cash Management Fund/Eaton Vance	1/75	5.6	222	23	1,000	0.70
49	Fidelity Cash Reserves/Fidelity	5/79	5.8	6,547	49	1,000	0.75
40	Fidelity Daily Income Trust/Fidelity	5/74	5.8	2,801	14	5,000	0.58
30	Fidelity Select-Money Market/Fidelity	8/85	5.5	687	199	1,000	0.64
29	Financial Daily Income Shares/Financial Prog	3/76	5.5	215	8	1,000	0.81
45	First American Money Fund/Fidelity	4/82	5.9	54	-8	1,000	0.56±
21	First Investors Cash Mgmt Fund/First Investors	10/78	5.2	219	-21	1,000	1.07±
62	First Lakeshore Money Market Fund/Dreyfus	2/86	5.5	123	67	1,000	0.88±
14	Flex-funds-Money Market Fund/Flex	3/85	6.0	65	39	2,500	0.31p
30	Franklin Money Fund/Franklin	1/76	5.4	1,070	10	500	0.87±
43	General Money Market Fund/Dreyfus	2/82	5.5	654	21	2,500	0.97±
42	Gradison Cash Reserves Trust/Gradison	5/76	5.5	405	-3	1,000	0.86±
29	Jolin Hancock Cash Management Trust/Hancock	10/79	5.4	268	-17	1,000	0.88±
42	Heritage Cash Trust/Hynes & Assoc	11/85	5.9	150	5	5,000	1.00±
47	High Yield Cash Trust/Federated	6/82	5.9	73	-46	25,000	0.36p
22	Wayne Hummer Money Fund Trust/Hummer	4/82	5.4	102	24	25,000	0.92
54	Hutton AMA Cash Fund/Hutton	3/82	5.9	2,221	10	†	0.61±

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Money Market

Portfolio average maturity days	Fund/distributor	Date started	Latest 12 months return from income dividends	Total assets 6/30/87 (millions)	% change '87 vs '86	Minimum initial investment	Annual expenses per \$100
	FORBES government money fund composite		5.5%				
	FORBES general money fund composite		5.6%				
	FORBES tax-free money fund composite		3.9%				
General money market funds							
38	Hutton Investment-Short Term Investment/Hutton	1/82	5.0%	\$357	161%	\$500	\$1.62+
56	IDS Cash Management Fund/IDS	10/75	5.6	858	-1	2,000	0.70+
35	Integrated Money Market Securities/Integrated	10/84	5.4	364	66	1,000	0.99+
27	Iowa Liquid Assets Fund/Investors Mgmt	10/82	5.0	68	-11	2,000	1.20+
49	ED Jones Daily Passport Cash Trust/Jones & Co	3/80	5.3	618	-5	1,000	1.03
38	Kemper Money Market Fund/Kemper	11/74	5.9	4,166	-11	1,000	0.52
23	Keystone Liquid Trust/Keystone	7/75	5.3	375	13	1,000	1.00+
40	Kidder Peabody Premium Account/Kidder	5/82	5.6	769	23	†	0.58
25	Lazard Frères-Cash Management Fund/Lazard	1/81	5.7	671	-9	2,500	0.69p
40	Legg Mason Cash Reserve Trust/Legg Mason	9/79	5.4	303	12	5,000	0.89
70	Lehman Management Cash Reserves Fund/Lehman	1/86	5.7	275	0	1,000	0.70
44	Lexington Money Market Trust/Lexington	7/78	5.5	181	-17	1,000	0.91
31	Liquid Capital Income Trust/Carnegie	11/74	5.8	1,238	0	1,000	0.68
36	Liquid Green Trust/Unified	11/80	5.3	176	-5	1,000	0.86
30	Lord Abnett Cash Reserve Fund/Lord Abnett	7/79	5.2	169	-13	1,000	1.03
35	Mass Cash Management-Prime/Mass Finl	12/75	5.6	617	0	1,000	0.82
57	McDonald Money Market Fund/McDonald	5/81	5.2	185	20	1,000	1.02+
47	Merrill Lynch Institutional Fund/ML Boston	12/74	5.9	1,235	-8	25,000	0.45
57	Merrill Lynch Ready Assets Trust/ML Funds	2/75	5.7	10,416	-12	5,000	0.63+
61	Merrill Lynch Retirement Reserves Money/ML Funds	4/82	5.5	2,987	17	none	0.99
30	Money Management Plus-Prime/Calvert	11/82	5.5	60	57	2,000	0.30+
46	Money Market Management/Federated	1/74	5.5	181	-19	1,000	0.84
48	Morgan Keegan Daily Cash Trust/Morgan Keegan	12/80	5.2	82	-4	5,000	1.07
38	Mutual of Omaha Cash Reserve/Mutual of Omaha	3/81	5.2	53	-8	1,000	1.06+
37	Mutual of Omaha MM Account/Mutual of Omaha	7/79	5.4	194	-19	1,000	0.81
33	National Liquid Reserves-Cash/Smith Barney	8/74	5.6	1,390	11	1,000	0.60
33	National Liquid Reserves-Retirement/Smith Barney	2/86	5.5	359	38	none	0.65p
40	Nationwide Money Market Fund/Nationwide	3/80	5.6	376	-12	1,000	0.79
216	Neuberger & Berman Money Market Plus/Neuberger	11/86	— ^a	83	—	5,000	0.50
59	New England Cash Mgmt-MM/New England	7/78	5.5	685	-7	1,000	0.81
21	Oppenheimer Money Market Fund/Oppenheimer Inv	4/74	5.6	611	-17	1,000	0.77
13	Pacific Horizon-Money Market/Dreyfus	3/84	5.8	743	28	1,000	0.57+
36	PaineWebber Cashfund/PaineWebber	5/78	5.7	4,020	-4	5,000	0.56
34	PaineWebber RMA-Money Market/PaineWebber	10/82	5.5	2,164	24	†	0.78p
32	Parkway Cash Fund/Parkway	11/79	5.5	76	-39	1,000	1.00+
53	Phoenix Money Market Fund/Phoenix	5/80	5.5	55	12	1,000	0.85
NA	Pierpont Money Market/Morgan Stanley	10/82	NA	1,142 ¹	NA	25,000	0.54
31	T Rowe Price Prime Reserve Fund/Price	3/76	5.6	3,042	4	1,000	0.76
22	Prime Cash Fund/Aquila	4/83	5.7	147	-12	1,000	0.60+

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Money Market

Portfolio average maturity days	Fund/distributor	Date started	Latest 12 months return from income dividends	Total assets 6/30/87 (millions)	% change '87 vs '86	Minimum initial investment	Annual expenses per \$100
	FORBES government money fund composite		5.5%				
	FORBES general money fund composite		5.6%				
	FORBES tax-free money fund composite		3.9%				
General money market funds							
34	Prudential-Bache Moneyfarm Assets/Pru-Bache	6/76	5.7%	\$4,191	3%	\$1,000	\$0.64±
41	Putnam Daily Dividend Trust/Putnam	9/76	5.6	479	73	1,000	0.89
19	Quest for Value-Cash Management/Oppenheimer Cap	1/87	—*	326	—	1,000	0.82±
25	Renaissance Assets Trust-MM/First of Mich	7/82	5.8	282	29	1,000	0.65±
18	Reserve Fund-Primary/Resrv	11/71	5.6	1,450	-12	1,000	0.95±
35	LF Rothschild Earnings & Liquidity/Rothschild	4/82	5.6	454	0	1,000	0.72
41	Safeco Money Market Mutual Fund/Safeco	4/82	5.6	71	53	1,000	0.84
29	St Clair Fixed Income-MM Prime Oblig/Fairfield	11/84	5.7	85	16	1,000	0.61p
32	Scudder Cash Investment Trust/Scudder	7/76	5.6	1,141	3	1,000	0.64
30	Seligman Cash Management-Prime/Seligman	1/77	5.5	323	1	2,000	0.80
44	Sentinel Cash Management Fund/Equity Services	6/82	5.4	54	23	1,000	0.82
57	Shearson Daily Dividend/Shearson	6/79	5.5	3,688	0	2,500	0.76
62	Shearson FMA Cash Fund/Shearson	2/82	5.7	1,455	3	†	0.66
102	Short Term Asset Reserves/Aquila	12/84	5.8	219	10	1,000	0.59±
29	Short Term Income Fund-MM/Reich & Tang	1/80	5.5	755	49	5,000	0.75±
36	Standby Reserve Fund/Cowen	11/81	5.6	331	7	2,000	0.72
47	SteinRoe Cash Reserves/Stein Roe	9/76	5.5	798	1	2,500	0.72
37	Strong Money Market Fund/Strong	10/85	5.7	78	676	1,000	0.80p
16	Transamerica Cash Reserve/Transamerica	8/80	5.9	343	8	1,000	0.54
28	Trinity Liquid Assets Trust/Institutional	1/83	6.0	415	14	1,000	0.57
46	Trust for Cash Reserves/Milwaukee Co	2/80	5.4	200	7	1,000	0.99
58	Tucker Anthony Cash Management/Tucker Anthony	4/81	5.4	699	35	1,000	0.85
36	20th Century Cash Reserve/20th Century	3/85	5.4	248	252	none	1.01
41	UMB Money Market-Prime/Jones & Babson	11/82	5.3	65	6	1,000	0.50
38	United Cash Management/Waddell & Reed	8/79	5.5	242	-15	1,000	1.07
50	USAA Mutual-Money Market/USAA	2/81	6.0	443	61	1,000	0.85
86	UST Master Funds-Money/Boston Co	5/85	5.8	266	37	10,000	0.56
41	Value Line Cash Fund/Value Line	4/79	5.7	497	10	1,000	0.76
20	Vanguard MM Reserves-Insured/Vanguard	2/83	5.4	76	45	1,000	0.93
42	Vanguard MM Reserves-Prime/Vanguard	6/75	5.9	3,063	56	1,000	0.48
34	Vantage Money Market-Cash/Smith Barney	10/82	5.6	448	26	†	0.61
42	Webster Cash Reserve Fund/Kidder	8/79	5.6	1,503	-3	1,500	0.64
36	Working Assets Money Fund/Working Assets	8/83	5.3	109	28	1,000	1.15±
Tax-exempt money market funds							
39	Active Assets Tax-Free Trust/Dean Witter	7/81	3.9	1,052	10	†	0.58±
70	Alliance Tax-Exempt Reserves-General/Alliance	1/83	4.0	310	4	1,000	0.80±
12	Benham Calif Tax-Free-Money Market/Benham	11/83	3.8	309	88	1,000	0.71
53	Boston Co Massachusetts Tax Free/Boston Co	7/83	3.9	137	23	1,000	0.66±

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Portfolio average maturity days	Fund/distributor	Date started	Latest 12 months return from income dividends	Total assets		Minimum initial investment	Annual expenses per \$100
				6/30/87 (millions)	% change '87 vs '86		
	FORBES government money fund composite		5.5%				
	FORBES general money fund composite		5.6%				
	FORBES tax-free money fund composite		3.9%				

Tax-exempt money market funds

49	California Daily Tax Free Income Fund/Reich & Tang	12/86	—*	\$69	—	\$5,000	NA‡
80	Calvert Tax-Free Reserves-MM/Calvert	4/81	4.3%	721	42%	2,000	\$0.67
20	Cardinal Tax Exempt Money Trust/Ohio Co	9/83	3.6	78	25	1,000	0.75
45	Carnegie Tax Free Income Trust/Carnegie	8/82	4.0	322	-3	1,000	0.60
72	Cash Accumulation-National Tax Exempt/Thomson	11/84	3.8	320	4	1,000	0.66‡
19	Centennial Tax Exempt Trust/Centennial	9/81	4.1	464	-1	1,000	0.79‡
70	Cigna Tax-Exempt Cash Fund/Cigna	9/82	4.1	60	58	1,000	0.59‡
41	CMA Tax-Exempt Fund/MLPF&S	1/81	3.9	7,733	6	†	0.55‡
54	Command Tax-Free Fund/Command	2/82	3.9	692	27	†	0.67‡
61	Connecticut Daily Tax Free Income/Reich & Tang	5/85	3.7	241	55	5,000	0.75‡p
61	Cortland Trust-Tax-Free Money Market/Cortland	6/85	3.9	83	55	1,000	0.59p
31	Counsellors N Y Tax Exempt Fund/Warburg Pincus	4/87	3.7	88	20	1,000	0.45p
53	Current Interest-Tax Free/Criterion	5/83	3.7	99	-8	1,000	0.77‡
40	Daily Tax Free Income Fund/Reich & Tang	11/82	3.9	1,122	-5	5,000	0.74‡
28	DBL Tax-Free Fund-Money Market/Drexel	4/83	3.9	546	-2	1,000	0.62‡
35	Dean Witter/Sears Tax-Free Daily Income/Dean Witter	2/81	3.8	954	-1	5,000	0.61‡
49	Delaware Tax-Free Money Fund/Delaware	9/81	3.9	70	-1	5,000	0.76
89	Dreyfus California Tax Exempt MM/Dreyfus	1/86	3.9	287	245	2,500	0.53p
66	Dreyfus Tax Exempt Money Market/Dreyfus	8/80	4.0	2,921	14	5,000	0.57
38	Eaton Vance Tax-Free Reserves/Eaton Vance	12/82	3.8	59	3	1,000	0.76
91	Empire Tax Free Money Market/Reich & Tang	5/84	3.6	227	40	5,000	0.82‡
39	Federated Tax-Free Trust/Federated	3/79	3.9	3,586	-6	25,000	0.45
39	Fidelity Calif Tax-Free-Money Market/Fidelity	7/84	3.8	490	198	2,500	0.60p
56	Fidelity Mass Tax-Free-Money Market/Fidelity	11/83	3.7	553	69	2,500	0.63
90	Fidelity NY Tax-Free-Money Market/Fidelity	7/84	3.7	487	114	2,500	0.60p
48	Fidelity Tax-Exempt Money Market/Fidelity	1/80	4.0	3,823	-1	5,000	0.45
44	First Lakeshore Tax Exempt Money Market/Dreyfus	2/86	3.9	145	3	1,000	0.71‡
49	Flag Investors T-F Cash Reserve-General/Brown & Sons	3/83	4.0	244	-9	1,500	0.44p
24	Franklin Calif Tax-Exempt Money Fund/Franklin	9/85	3.9	359	155	1,500	0.68
49	Franklin Tax-Exempt Money Fund/Franklin	2/82	4.2	170	29	1,500	0.76‡
64	General Tax Exempt Money Market/Dreyfus	12/83	3.9	572	0	2,500	0.61‡
71	IDS Tax-Free Money Fund/IDS	8/80	3.7	127	28	2,000	0.69‡
62	Kidder Peabody Tax Exempt MM/Kidder	7/83	3.9	914	0	1,500	0.56
64	Lazard Frères-Tax-Free Money Market Fund ¹ /Lazard	10/82	4.0	393	-17	2,500	0.69‡
29	Legg Mason Tax Exempt Trust/Legg Mason	7/83	3.8	92	-4	5,000	0.71‡
63	Lehman Management Tax-Free Reserves Fund/Lehman	1/86	3.8	122	5	1,000	0.63
73	Lexington Tax Free Money Fund/Lexington	10/77	4.0	92	-29	1,000	0.69
65	McDonald Tax Exempt M M Fund/McDonald	8/85	3.6	106	8	1,000	0.92‡
83	Midwest Group Tax Free-MM/MGF	9/81	3.9	107	29	2,500	0.93‡
101	Money Management Plus-Tax Free/Calvert	10/84	4.1	179	38	†	0.96‡

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Fund Ratings/Money Market

Portfolio average maturity days	Fund/distributor	Date started	Latest 12 months return from income dividends	Total assets 6/30/87 (millions)	% change '87 vs '86	Minimum initial investment	Annual expenses per \$100
	FORBES government money fund composite		5.5%				
	FORBES general money fund composite		5.6%				
	FORBES tax-free money fund composite		3.9%				
Tax-exempt money market funds							
69	Municipal Cash Reserve Management/Hutton	5/81	4.1%	\$2,047	-7%	\$10,000	\$0.50p
41	Neuberger & Berman Tax-Free Money/Neuberger	12/84	4.1	192	18	2,000	0.72+
53	New England Tax Exempt M M/New England	1/83	3.8	57	28	1,000	0.56
21	Nuveen California Tax-Free-Money Market/Nuveen	4/86	3.9	285	252	5,000	0.50+
23	Nuveen Tax-Exempt Money Market Fund/Nuveen	4/81	4.1	1,868	-20	25,000	0.40
22	Nuveen Tax-Free Reserves/Nuveen	11/82	3.9	309	26	1,000	0.74+
39	AT Ohio Tax-Free Money Fund/Federated	7/85	3.7	227	37	25,000	0.63p
33	Pacific Horizon-Tax-Exempt Money Market/Dreyfus	3/84	3.7	99	71	1,000	0.84+
33	PaineWebber RMA-Tax-Free/PaineWebber	10/82	3.7	943	6	†	0.62
83	Park Ave NY Tax Exempt Money Market/Dreyfus	11/84	3.5	280	37	2,500	0.83+
NA	Pierpont Tax Exempt M M Fund/Morgan Stanley	9/83	NA	1,167	NA	25,000	0.57
24	T Rowe Price Tax-Exempt Money Fund/Price	4/81	4.1	1,279	10	1,000	0.60
41	Prudential-Bache Muni-New York M M/Pru-Bache	4/85	3.8	134	35	1,000	0.57p
39	Prudential-Bache Tax-Free Money Fund/Pru-Bache	8/79	3.9	709	0	1,000	0.68+
72	Reserve New York Tax-Exempt Trust-NY/Resrv	11/83	3.5	90	10	1,000	1.00+†
52	Reserve Tax-Exempt Trust-Connecticut/Resrv	4/85	3.7	235	16	1,000	1.00+†
66	Reserve Tax-Exempt Trust-Interstate/Resrv	11/83	3.9	281	14	1,000	1.00+†
14	LF Rothschild Exempt Fund/Rothschild	11/83	3.8	140	6	2,500	0.68
56	St Clair Tax-Free Fund-Money Market/Fairfield	9/85	3.9	66	-20	2,500	0.49p
27	Scudder Tax-Free Money Fund/Scudder	1/80	3.7	397	23	1,000	0.63
47	Shearson California Daily Tax-Free/Shearson	11/85	3.7	153	45	2,500	0.65
62	Shearson Daily Tax-Free Dividend/Shearson	10/82	3.9	743	6	2,500	0.65
60	Shearson FMA Municipal Fund/Shearson	3/82	3.9	1,001	12	†	0.63
58	Shearson New York Daily Tax-Free/Shearson	11/85	3.7	171	57	2,500	0.67
45	Stoddard Tax Exempt Reserve Fund/Cowen	4/86	4.0	61	24	2,000	0.39
19	SteinRoe Tax-Exempt Money Fund/Stein Roe	3/83	3.8	284	37	2,500	0.70p
28	Tax-Exempt Money Market Fund/Kemper	7/82	3.9	1,716	26	1,000	0.62+
24	Tax-Free Accounts/Nuveen	12/83	4.0	384	52	none	0.55p
38	Tax-Free Instruments Trust/Federated	12/82	3.7	1,402	12	none	0.55p
59	Tax-Free Money Fund/Smith Barney	4/81	3.9	1,112	28	5,000	0.53
65	Tucker Anthony Tax-Exempt Money/Tucker Anthony	12/82	3.9	239	50	1,000	0.49p
57	UMB Tax-Free Money Market/Jones & Babson	12/82	3.9	76	26	1,000	0.52
57	USAA Tax Exempt Fund-Money Market/USAA	2/84	4.4	515	137	10,000	0.47
50	UST Master Tax-Exempt Funds-Short Term/Boston Co	5/85	4.2	516	40	10,000	0.54
63	Value Line Tax Exempt-Money Market/Value Line	3/84	3.8	61	70	1,000	0.96
63	Vanguard Muni Bond-Money Market/Vanguard	5/80	4.2	1,815	75	3,000	0.33

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Table of distributors, showing addresses and phone numbers, begins on page 268.

Closed-end funds

Unlike the more common open-end funds, closed-end funds have a fixed number of shares outstanding. In consequence, shares in these funds can trade at a discount or premium to the net asset values of the investments they hold. Since we are measuring portfolio skill, not investment results, performance data in our ratings tables (pages preceding) are based on net asset values, not share prices. But

an investor's results would be determined, of course, by the latter. The past year has seen a spate of new closed-end bond as well as stock and balanced funds. Premiums and discounts shown here are based on net asset values and share prices as of June 30. For dual funds, the premium or discount is calculated as if the capital and income shares were merged into a single share.



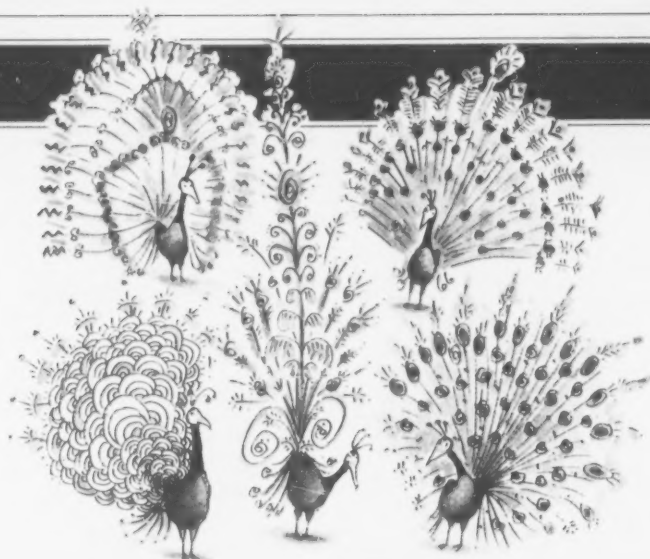
Fund	% premium (+) or discount (-)
STOCK	
Adams Express	-2.5%
ASA Limited	-34.6
Asia Pacific Fund	4.3
Baker, Fentress & Co	-16.5
Blue Chip Value Fund	1.6
Central Securities	-14.7
Claremont Capital	0.2
Clemente Global Growth Fund	-1.1
Convertible Holdings-Capital	
Convertible Holdings-Income	-11.6
Counsellors Tandem Fund	-17.6
Cypress Fund	-15.5
Dover Regional Financial Shares	-15.1
Ellsworth Convertible Growth & Inc	-13.5
Emerging Medical Technology Fund	-14.1
Engex	1.6
Equity Guard Stock Fund	-16.4
First Financial Fund	-19.3
France Fund	-19.9
Gabelli Equity Trust	-15.0
General American Investors	-12.8
Global Growth & Income-Growth	
Global Growth & Income-Income	6.0
Global Yield Fund	-7.0
Growth Stock Outlook Trust	-10.1
H&Q Healthcare Investors	-13.6
Italy Fund	-5.7
Japan Fund	-5.8
Korea Fund	110.2
Lehman Corp	-9.1
Liberty All-Star Equity Fund	-18.7
Lincoln National Convertible Secs	-11.8

Fund	% premium (+) or discount (-)
STOCK	
Malaysia Fund	17.4%
Mexico Fund	-31.3
Morgan Grenfell SmallCap Fund	-0.6
Niagara Share Corp	-12.8
Nicholas Applegate Fund	-13.7
Petroleum & Resources Corp	-2.3
Pilgrim Regional Bankshares	-18.5
Progressive Income Equity	5.5
Quest for Value Dual Purpose-Cap	
Quest for Value Dual Purpose-Inc	-12.0
Regional Fincl Shares Investment	-16.7
Royce Value Trust	-8.7
Scandinavia Fund	-16.4
Scudder New Asia Fund	3.9
Source Capital	-0.6
Spectra Fund	-23.2
Taiwan Fund	94.7
TCW Convertible Securities Fund	-6.9
Templeton Emerging Markets	-2.1
Tri-Continental Corp	-2.0
Vanguard Gemini II Capital	
Vanguard Gemini II Income	3.2
World Wide Value Fund	-18.7
Zweig Fund	-8.7
Z-Seven Fund	15.0
BALANCED	
American Capital Convertible Secs	8.6
Bancroft Convertible Fund	-7.4%
Castle Convertible Fund	-4.1
Duff & Phelps Selected Utilities	7.8
First Australia Fund	-17.8

Fund	% premium (+) or discount (-)
BOND	
American Capital Bond Fund	-2.3%
AMEV Securities	1.7
Bunker Hill Income Securities	7.2
Circle Income Shares	6.2
CNA Income Shares	0.6
Colonial Municipal Income Trust	0.8
Current Income Shares	-5.5
Drexel Bond-Debenture Trading Fd	4.2
Excelsior Income Shares	-3.9
First Australia Prime Income Fund	-9.4
First Boston Income Fund	5.0
Fort Dearborn Income Securities	-1.0
Hatteras Income Securities	6.8
INA Investment Securities	-1.1
Independence Square Income Secs	-4.1
InterCapital Income Securities	10.7
John Hancock Income Securities	-2.4
John Hancock Investors	-0.9
Kleinwort Benson Australian Inc Fd	-8.3
Lincoln National Direct Placement	-7.7
MassMutual Corporate Investors	20.0
MassMutual Income Investors	3.5
MFS Government Markets Inc Tr	4.9
MFS Multimarket Income Trust	7.2
MFS Municipal Income Trust	3.0
Montgomery Street Income Secs	7.1
Mutual of Omaha Interest Shares	14.2
Nuveen Municipal Value Fund	7.0
Pacific American Income Shares	-4.0
Revere AE Capital Fund	0.7
State Mutual Securities	1.5
Transamerica Income Shares	10.0
USLife Income Fund	9.8
Vestaur Securities	-8.8

Distributors

Fund distributors manage mutual funds and market them by providing prospectuses and other information. A fund without a separate distributor is listed under the name of the fund itself. The "exchange privilege" refers to the ability to switch from one fund to others in the same family. In some cases those others are too small to be listed here.



Distributor	Type of fund
Acorn Fund 2 North LaSalle Street Suite 500 Chicago, IL 60602-3790 (312) 621-0630* (local) Exchange privilege: Yes	
Acorn Fund	ST
Adtek Fund 4920 West Vliet Street Milwaukee, WI 53208 (414) 257-1842 (local) Exchange privilege: No	
ADTEK Fund	ST
Advanced Information Management PO Box 2798 Boston, MA 02208 (617) 482-9300 (local) Exchange privilege: No	
GAM Funds-Global	ST
GAM Funds-International	ST
Advest Group 280 Trumbull Street Hartford, CT 06103 (800) 842-3807 (local) (800) 243-8115 (out of state) Exchange privilege: Yes	
Advantage Government Securities	BD
Advantage Growth Fund	ST
Advantage Income Fund	BA
AFA Distributors 50 Broad Street New York, NY 10004 (212) 482-8100* (local) (800) 654-0001 (out of state) Exchange privilege: Yes	
National Aviation & Technology	ST
National Telecomm & Technology	ST

Distributor	Type of fund
Affiliated Investor Service 3550 Lander Road Pepper Pike, OH 44124 (216) 292-3434* (local) Exchange privilege: No	
Maxus Fund	BD
Afuture Fund Legal Arts Building Front & Lemon Streets Media, PA 19063 (215) 565-3131* (local) (800) 523-7594 (out of state) Exchange privilege: No	
Afuture Fund	ST
AIM Distributors 11 Greenway Plaza Suite 1919 Houston, TX 77046 (800) 392-9681 (local) (800) 231-0803 (out of state) Exchange privilege: Yes	
Aim Convertible Securities	BA
Associated Planners Stock Fund	ST
Charter Fund	ST
Constellation Growth Fund	ST
Greenway Fund	ST
High Yield Securities	BD
Summit Investor's Fund	ST
Weingarten Equity Fund	ST



ST Stock fund
BA Balanced fund
BD Bond & preferred fund
MU Municipal bond fund
MM Money market fund

Distributor	Type of fund
Fred Alger Management 75 Maiden Lane New York, NY 10038 (800) 992-3863 (nationwide) Exchange privilege: Yes	
Alger Fund-Growth	ST
Alliance Fund Distributors 140 Broadway New York, NY 10005 (800) 221-5672 (nationwide) Exchange privilege: Yes	
Alliance Balanced Shares	BA
Alliance Bond-High Grade	BD
Alliance Bond-High Yield	BD
Alliance Bond-Monthly Income Shares	BD
Alliance Bond-US Government	BD
Alliance Capital Reserves	MM
Alliance Convertible Fund	ST
Alliance Counterpoint Fund	ST
Alliance Dividend Shares	ST
Alliance Fund	ST
Alliance Global-Canadian Fund	ST
Alliance Global-World Equities	ST
Alliance Government Reserves	MM
Alliance Insured Cal Tax-Ex Shares	MU
Alliance International Fund	ST
Alliance Mortgage Securities Income	BD
Alliance Tax-Ex Reserves-General	MM
Alliance Tax-Free-High Income	MU
Alliance Tax-Free-Income-New York	MU
Alliance Tax-Free Shares	MU
Alliance Technology Fund	ST
Quasar Associates	ST
Surveyor Fund	ST
AMA Advisers PO Box 1111 Blue Bell, PA 19422 (215) 825-0400* (local) (800) 523-0864 (out of state) Exchange privilege: Yes	
AMA Growth Fund-Classic Growth	ST
AMA Growth Fund-Global Growth	ST
AMA Growth Fund-Growth + Income	ST
AMA Income Fund-Classic Income	BD
AMA Income Fund-Global Income	BD
AMA Income Fund-Global Short Term	BD
Medical Technology Fund	ST

*Will accept collect calls.

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
American Capital Marketing 2800 Post Oak Boulevard Houston, TX 77056 (713) 993-0500* (local) (800) 231-3638 (out of state) Exchange privilege: Yes		American Investors PO Box 2500 Greenwich, CT 06836 (203) 531-5000* (local) (800) 243-5353 (out of state) Exchange privilege: Yes		Armstrong Associates 311 North Market Street Dallas, TX 75202 (214) 744-5558* (local) Exchange privilege: No	
American Capital Calif Tax-Exempt	MU	American Investors Growth Fund	ST	Armstrong Associates	ST
American Capital Comstock Fund	ST	American Investors Income Fund	BD	Axe Securities Corp 400 Benedict Avenue Tarrytown, NY 10591 (914) 631-8131* (local) (800) 431-1030 (out of state) Exchange privilege: Yes	
American Capital Corp Bond Fund	BD	American Pension Investors PO Box 2529 Lynchburg, VA 24501 (800) 533-4115 (local) (800) 544-6060 (out of state) Exchange privilege: No		Axe-Houghton Fund B	BA
American Capital Enterprise Fund	ST	American Pension Investors Trust	ST	Axe-Houghton Income Fund	BD
American Capital Federal Mortgage	BD	AMEV Investors PO Box 64284 St Paul, MN 55164 (800) 328-1001 (local) (800) 872-2638 (out of state) Exchange privilege: Yes		Axe-Houghton Money Market Fund	MM
American Capital Govt Securities	BD	AMEV Capital Fund	ST	Axe-Houghton Stock Fund	ST
American Capital Harbor Fund	BA	AMEV Fiduciary Fund	ST	Bailard, Biehl & Kaiser 951 Mariner's Island Boulevard Suite 700 San Mateo, CA 94404 (415) 571-5800* (local) Exchange privilege: Yes	
American Capital High Yield Inv	BD	AMEV Growth Fund	ST	Bailard, Biehl & Kaiser International	ST
American Capital Muni Bond Fund	MU	AMEV Money Fund	MM	BB&K Diversa Fund	BA
American Capital OTC Securities	ST	AMEV Tax-Free Fund-Minnesota	MU	Robert W Baird & Co 777 East Wisconsin Avenue Milwaukee, WI 53202 (800) 792-2473 (nationwide) Exchange privilege: No	
American Capital Pace Fund	ST	AMEV Tax-Free Fund-National	MU	Baird Capital Development Fund	ST
American Capital Reserve Fund	MM	AMEV US Govt Securities Fund	BD	Bankers Systems Financial Services PO Box 517 St Cloud, MN 56302 (800) 247-0317 (local) (800) 328-1375 (out of state) Exchange privilege: Yes	
American Capital Tax-Exempt Hi Yield	MU	Analytic Optioned Equity Fund 2222 Martin Street Suite 230 Irvine, CA 92715 (714) 833-0294* (local) Exchange privilege: Yes		Bankers Systems Granit-Govt Secs	BD
American Capital Tax-Exempt-Insured	MU	Analytic Optioned Equity Fund	ST	Bankers Systems Granit-Growth Stock	ST
American Capital Tax-Exempt-NY	MU	Angeles Securities 10301 West Pico Boulevard Los Angeles, CA 90064 (213) 277-4900 (local) (800) 421-4374 (out of state) Exchange privilege: Yes		Bartlett Capital Trust 36 East Fourth Street Cincinnati, OH 45202 (800) 327-4363 (local) (800) 543-0863 (out of state) Exchange privilege: Yes	
American Capital Venture Fund	ST	FPA Capital Fund	ST	Bartlett Capital-Basic Value	ST
Common Sense-Government	BD	FPA New Income Fund	BD	Bartlett Capital-Fixed Income	BD
Common Sense-Growth	ST	FPA Paramount Fund	ST	Beacon Hill Mutual Fund 75 Federal Street Boston, MA 02110 (617) 482-0795 (local) Exchange privilege: No	
Common Sense-Growth & Income	ST	FPA Perennial Fund	ST	Beacon Hill Mutual Fund	ST
Fund of America	ST	Aquila Distributors 200 Park Avenue Suite 4515 New York, NY 10017 (212) 697-6666* (local) (800) 228-4227 (out of state) Exchange privilege: Yes		Bench Securities 222 Bridge Plaza South Fort Lee, NJ 07024 (201) 585-2333* (local) (800) 422-3624 (out of state) Exchange privilege: Yes	
Provident Fund for Income	BA	Capital Cash Management Trust	MM	Bench Portfolios-Blue Chip	ST
American Funds Distributors 333 South Hope Street Los Angeles, CA 90071 (800) 421-0180 (local) (800) 421-9900 (out of state) Exchange privilege: Yes		Cash Assets Trust	MM		
Amcap Fund	ST	Churchill Cash Reserves Trust	MM		
American Balanced Fund	BA	Hawaiian Tax-Free Trust	MU		
Amer Funds Income-US Govt Guar	BD	Prime Cash Fund	MM		
American T-E Series I-Maryland	MU	Short Term Asset Reserves	MM		
American T-E Series I-Virginia	MU	Tax-Free Trust of Arizona	MU		
American T-E Series II-California	MU	Tax-Free Trust of Oregon	MU		
American Mutual Fund	ST				
Bond Fund of America	BD				
Cash Management Trust of America	MM				
EuroPacific Growth Fund	ST				
Fundamental Investors	ST				
Growth Fund of America	ST				
Income Fund of America	BA				
Investment Company of America	ST				
New Economy Fund	ST				
New Perspective Fund	ST				
Tax-Exempt Bond Fund of America	MU				
Washington Mutual Investors	ST				
American Growth Fund Sponsors 410 17th Street Suite 800 Denver, CO 80202 (303) 623-6137 (local) (800) 525-2406 (out of state) Exchange privilege: No					
American Growth Fund	ST				
American Investment Managers 107 North Adams Street Rockville, MD 20850 (301) 251-1002* (local) (800) 638-2042 (out of state) Exchange privilege: Yes					
Dividend/Growth-Dividend	ST				

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Distributor Type of fund

Benham Capital Management
755 Page Mill Road
Palo Alto, CA 94304
(800) 982-6150 (local)
(800) 227-8380 (out of state)
Exchange privilege: Yes

Benham Calif Tax-Free-Insured	MU
Benham Calif Tax-Free-Intermediate	MU
Benham Calif Tax-Free-Long-Term	MU
Benham Calif Tax-Free-Money Market	MM
Benham Calif Tax-Free-High Yield	MU
Benham Government Income-GNMA	BD
Benham Natl Tax-Free-Intermediate	MU
Benham Natl Tax-Free-Long Term	MU
Benham Target Maturities-Series 1990	BD
Benham Target Maturities-Series 1995	BD
Benham Target Maturities-Series 2000	BD
Capital Preservation Fund	MM
Capital Preservation Fund II	MM
Capital Preservation Treasury Note	BD

Berger Associates
899 Logan Street
Suite 211
Denver, CO 80203
(800) 333-1001 (nationwide)
Exchange privilege: Yes

One Hundred Fund	ST
One Hundred One Fund	ST

Berwyn Fund
1189 Lancaster Avenue
Berwyn, PA 19312
(215) 640-4330 (local)
Exchange privilege: No

Berwyn Fund	ST
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Birr, Wilson & Co
155 Sansome Street
San Francisco, CA 94104
(800) 826-6294 (local)
(800) 227-4398 (out of state)
Exchange privilege: No

Birr, Wilson Money Fund	MM
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Boston Co Funds Distributor
One Boston Place
Boston, MA 02108
(800) 225-5267 (nationwide)
Exchange privilege: Yes

Boston Co Capital Appreciation	ST
Boston Co Cash Mgmt Fund	MM
Boston Co GNMA Fund	BD
Boston Co Managed Income Fund	BD
Boston Co Massachusetts Tax Free	MM
Boston Co Special Growth Fund	ST
Boston Co Tax-Free Muni-Bond	MU
Boston Co Tax-Free Muni-Mass Bond	MU
UST Master Funds-Equity	ST
UST Master Funds-Govt Money	MM
UST Master Funds-Income & Growth	ST
UST Master Funds-Managed Income	BD
UST Master Funds-Money	MM
UST Master Tax-Ex Intermediate	MU
UST Master Tax-Exempt Long Term	MU
UST Master Tax-Exempt Short Term	MM

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Distributor	Type of fund
Boston Mutual Sales Corp 120 Royall Street Canton, MA 02021 (617) 828-7000 (local) Exchange privilege: No	
Boston Mutual Fund	ST
Brandywine Fund PO Box 4166 Greenville, DE 19807 (302) 656-3017 (local) Exchange privilege: No	
Brandywine Fund	ST
Bridges Investment Fund 8401 West Dodge Road Omaha, NE 68114 (402) 397-4700 (local) Exchange privilege: No	
Bridges Investment Fund	ST
Alex Brown & Sons 135 East Baltimore Street Baltimore, MD 21202 (800) 638-3868 (local) (800) 638-2596 (out of state) Exchange privilege: Yes	
Alex Brown Cash Reserve-Govt	MM
Alex Brown Cash Reserve-Prime	MM
Flag Investors Corporate Cash	ST
Flag Investors International Trust	ST
Flag Inv T-F Cash Reserve-General	MM
Bruce Fund 20 North Wacker Drive Suite 1425 Chicago, IL 60606 (312) 236-9160 (local) Exchange privilege: No	
Bruce Fund	BA
Bull & Bear Group 11 Hanover Square New York, NY 10005 (212) 785-0900 (local) (800) 847-4200 (out of state) Exchange privilege: Yes	
Bull & Bear Capital Growth Fund	ST
Bull & Bear Dollar Reserves	MM
Bull & Bear Equity-Income Fund	ST
Bull & Bear High Yield Fund	BD
Bull & Bear Tax-Free Income Fund	MU
Bull & Bear US Govt Guaranteed Secs	BD
Golconda Investors	ST
Calamos Asset Management 2001 Spring Road Suite 750 Oakbrook, IL 60521 (800) 821-6458 (local) (800) 251-2411 (out of state) Exchange privilege: No	
Calamos Convertible Income	ST

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Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
California Investment Trust Group 44 Montgomery Street Suite 2200 San Francisco, CA 94104 (800) 225-8778 (out of state) Exchange privilege: No		Cigna Securities S-115 Hartford, CT 06152 (203) 726-6000 (local) Exchange privilege: Yes		Command Money Market Funds 130 John Street 19th Floor New York, NY 10292 (212) 791-4904 (local) Exchange privilege: No	
California Investment II-US Govt Secs BD		Cigna Aggressive Growth Fund ST		Command Government Fund MM	
California Investment T-F Income MU		Cigna Cash Fund MM		Command Money Fund MM	
Calvert Group 1700 Pennsylvania Avenue NW Washington, DC 20006 (301) 951-4800* (local) (800) 368-2748 (out of state) Exchange privilege: Yes		Cigna Government Securities BD		Command Tax-Free Fund MM	
Calvert Fund-Equity ST		Cigna Growth Fund ST		Commodore Securities 250 Piedmont Avenue Suite 2100 Atlanta, GA 30365 (404) 524-4415 (local) (800) 367-6536 (out of state) Exchange privilege: Yes	
Calvert Fund-Income BD		Cigna High Yield Fund BD		Alpha Fund ST	
Calvert Washington Area Growth BA		Cigna Income Fund BD		Connecticut Mutual Financial Services 140 Garden Street Hartford, CT 06154 (203) 727-6500* (local) (800) 243-2501 (out of state) Exchange privilege: Yes	
Calvert Social Invest-Managed Growth BA		Cigna Money Market Fund MM		Connecticut Mutual-Government Secs BD	
Calvert Social Invest-Money Market MM		Cigna Municipal Bond Fund MU		Connecticut Mutual-Growth ST	
Calvert Tax-Free Reserves-Limited MU		Cigna Tax-Exempt Cash Fund MM		Connecticut Mutual-Income BD	
Calvert Tax-Free Reserves-Long Term MU		Cigna Value Fund ST		Connecticut Mutual-Liquid Account MM	
Calvert Tax-Free Reserves-MM MM		Claremont Company 250 West First Street Suite 220 Claremont, CA 91711 (800) 554-5106 (local) (800) 826-8896 (out of state) Exchange privilege: Yes		Connecticut Mutual-Total Return ST	
First Variable Rate for Govt Income MM		Claremont Fund-Combined BA		Continental Equity Corp of America 180 Maiden Lane 11th Floor New York, NY 10038 (800) 626-3863 (nationwide) Exchange privilege: Yes	
Money Management Plus-Prime MM		Claremont Fund-Government Bond BD		Continental Equity Plus Fund ST	
Money Management Plus-Tax Free MM		Colonial Investment Services One Financial Center Boston, MA 02111 (617) 426-3750* (local) (800) 225-2365 (out of state) Exchange privilege: Yes		Continental Option Income Plus II ST	
CAM Fund PO Box 1987 Valley Forge, PA 19481 (800) 362-7400 (local) (800) 423-2345 (out of state) Exchange privilege: No		Colonial Advanced Strategies Gold BA		Continental US Government Plus BD	
CAM Fund MM		Colonial California Tax-Exempt MU		Conway, Luongo, Williams 3000 Sand Hill Road Menlo Park, CA 94025 (415) 854-9150 (local) Exchange privilege: No	
Carnegie Fund Distributors 1331 Euclid Avenue Cleveland, OH 44115 (216) 781-4440* (local) (800) 321-2322 (out of state) Exchange privilege: Yes		Colonial Equity Income Trust ST		Adam Investors ST	
Carnegie-Cappiello-Growth ST		Colonial Fund BA		Copley Financial Services Corp 109 Howe Street Fall River, MA 02724 (617) 674-8459* (local) Exchange privilege: No	
Carnegie-Cappiello-Total Return ST		Colonial Govt Money Market MM		Copley Fund ST	
Carnegie Govt Secs-High Yield Govt BD		Colonial Govt Mortgage Trust BD		Cortland Distributors 3 University Plaza Hackensack, NJ 07601 (201) 342-6066* (local) (800) 433-1918 (out of state) Exchange privilege: Yes	
Carnegie Govt Secs-Money Market MM		Colonial Govt Securities Plus BD		Cortland-General Money Market MM	
Carnegie Tax Ex Income-Georgia Ins MU		Colonial Growth Shares Trust ST		Cortland-Tax-Free Money Market MM	
Carnegie Tax Ex Income-Minn Ins MU		Colonial High Yield Securities BD			
Carnegie Tax Ex Income-Natl High Yld MU		Colonial Income Trust BD			
Carnegie Tax Ex Income-National Ins MU		Colonial International Equity Index ST			
Carnegie Tax Ex Income-Ohio General MU		Colonial Michigan Tax-Exempt Trust MU			
Carnegie Tax Exempt Income-Ohio Ins MU		Colonial Minnesota Tax-Exempt MU			
Carnegie Tax Free Income Trust MM		Colonial New York Tax-Exempt Trust MU			
Liquid Capital Income Trust MM		Colonial Ohio Tax-Exempt Trust MU			
Centennial Capital Corp 3410 South Galena Street Denver, CO 80231 (800) 356-3556 (local) (800) 525-7048 (out of state) Exchange privilege: Yes		Colonial Small Stock Index Trust ST			
Centennial Government Trust MM		Colonial Strategic Income-Diversified ST			
Centennial Money Market Trust MM		Colonial Strategic Income-Income Plus ST			
Centennial Tax Exempt Trust MM		Colonial Tax-Exempt-High Yield MU			
Daily Cash Accumulation Fund MM		Colonial Tax-Exempt-Insured Fund MU			
Century Shares Trust One Liberty Square Boston, MA 02109 (617) 482-3060* (local) (800) 321-1928 (out of state) Exchange privilege: No		Colonial US Equity Index Trust ST			
Century Shares Trust ST		Columbia Management Co 1301 SW 5th Avenue PO Box 1350 Portland, OR 97207 (800) 452-4512 (local) (800) 547-1037 (out of state) Exchange privilege: Yes			
		Columbia Daily Income Company MM			
		Columbia Fixed Income Securities BD			
		Columbia Growth Fund ST			
		Columbia Municipal Bond Fund MU			
		Columbia Special Fund ST			

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Distributor Type of fund

Country Capital Management Co
PO Box 2222
Bloomington, IL 61701
(309) 557-2444 (local)
Exchange privilege: Yes

Country Capital Growth Fund	ST
Country Capital Income Fund	BA
Country Capital Tax Exempt Bond	MU

Cowen & Co
One Battery Park Plaza
New York, NY 10004
(212) 483-0700 (local)
Exchange privilege: No

Cowen Income + Growth Fund	ST
Standby Reserve Fund	MM
Standby Tax Exempt Reserve Fund	MM

Craig-Hallum
701 Fourth Avenue South-10th Floor
Minneapolis, MN 55415
(800) 331-4923 (nationwide)
Exchange privilege: No

General Securities	ST
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Criterion Distributors
1000 Louisiana
Suite 6000
Houston, TX 77002
(800) 392-7802 (local)
(800) 231-4645 (out of state)
Exchange privilege: Yes

Criterion Bond-Investment Quality	BD
Criterion Bond-US Govt High Yield	BD
Criterion Global Growth Fund	ST
Criterion Income-Comm Inc Shares	BA
Criterion Income-Convertible Secs	BD
Criterion Special-Lowry Mkt Timing	ST
Criterion Sunbelt Growth Fund	ST
Criterion Tax-Free High Yield	MU
Criterion Tax-Free Insured Quality	MU
Current Interest-Money Market	MM
Current Interest-Tax Free	MM
Current Interest-US Govt	MM
Pilot Fund	ST

Dean Witter Reynolds
One World Trade Center
New York, NY 10048
(212) 938-4554 (local)
(800) 221-2685 (out of state)
Exchange privilege: Yes

Active Assets Govt Secs Trust	MM
Active Assets Money Trust	MM
Active Assets Tax-Free Trust	MM
Dean Witter American Value Fund	ST
Dean Witter Calif Tax-Free Income	MU
Dean Witter Convertible Secs	ST
Dean Witter Developing Growth Secs	ST
Dean Witter Dividend Growth Secs	ST
Dean Witter Govt Securities Plus	BD
Dean Witter High Yield Secs	BD
Dean Witter Natural Resource Dev	ST
Dean Witter NY Tax-Free Income	MU
Dean Witter Option Income Trust	ST
Dean Witter/Sears Liquid Asset	MM
Dean Witter/Sears Tax-Free Daily Inc	MM
Dean Witter/Sears US Govt MM Trust	MM
Dean Witter Tax-Exempt Secs	MU
Dean Witter US Govt Securities	BD
Dean Witter World Wide Investment	ST

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Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
Delaware Distributors 10 Penn Center Plaza Philadelphia, PA 19103 (215) 988-1333* (local) (800) 523-4640 (nationwide) Exchange privilege: Yes		Dreyfus Service Center 666 Old Country Road Garden City, NY 11530 (718) 895-1206 (local) (800) 645-6561 (out of state) Exchange privilege: Yes		Eclipse Financial Management PO Box 2196 Peachtree City, GA 30269 (404) 631-0414* (local) (800) 872-2710 (out of state) Exchange privilege: Yes	
Decatur Fund-Series I	ST	Dreyfus A Bonds Plus	BD	Eclipse Equity Fund	ST
Decatur Fund-Series II	ST	Dreyfus California Tax Exempt Bond	MU	EQSF Advisors	
Delaware Cash Reserve	MM	Dreyfus California Tax Exempt MM	MM	171 Madison Avenue	
Delaware Fund	ST	Dreyfus Capital Value Fund	ST	Suite 1600	
Delaware Group Government-GNMA	BD	Dreyfus Convertible Securities	BA	New York, NY 10016	
Delaware Group Government-US Govt	BD	Dreyfus Fund	ST	(212) 683-7141* (local)	
Delaware Tax-Free Money Fund	MM	Dreyfus General Aggressive Growth	ST	Exchange privilege: No	
Delaware Treasury Reserves-Investors	BD	Dreyfus General Tax Exempt Bond	MU	Equity Strategies Fund	ST
DelCap Fund-Concept I	ST	Dreyfus GNMA Fund	BD	Equitec Securities	
Delchester Bond Fund	BD	Dreyfus Growth Opportunity Fund	ST	PO Box 2470	
Delta Trend Fund	ST	Dreyfus Insured Tax Exempt Bond	MU	Oakland, CA 94614	
DMC Tax-Free Income Trust-PA	MU	Dreyfus Intermediate Tax Ex Bond	MU	(800) 445-9052 (local)	
DMC Tax-Free Income-USA	MU	Dreyfus Leverage Fund	ST	(800) 445-9020 (out of state)	
DMC Tax-Free Income-USA Insured	MU	Dreyfus Liquid Assets	MM	Exchange privilege: Yes	
Diversified Securities PO Box 357 Long Beach, CA 90801 (213) 595-7711* (local) Exchange privilege: No		Dreyfus Massachusetts Tax Ex Bond	MU	Equitec Siebel Aggressive Growth	ST
Investors Research Fund	ST	Dreyfus MM Instruments-Govt Secs	MM	Equitec Siebel High Yield Bond	BD
Dodge & Cox One Post Street 35th Floor San Francisco, CA 94104 (415) 981-1710 (local) Exchange privilege: Yes		Dreyfus MM Instruments-MM	MM	Equitec Siebel Total Return Fund	ST
Dodge & Cox Balanced Fund	BA	Dreyfus New Leaders Fund	ST	Equitec Siebel US Govt Securities	BD
Dodge & Cox Stock Fund	ST	Dreyfus NY Insured Tax Ex Bond	BD	Equity Services	
Drexel Burnham Lambert 60 Broad Street New York, NY 10004 (212) 482-1623* (local) (800) 272-2700 (out of state) Exchange privilege: Yes		Dreyfus NY Tax Exempt Bond Fund	MU	National Life Drive	
DBL Cash Fund-Govt Secs	MM	Dreyfus Short-Intermediate Tax Ex	MU	Montpelier, VT 05604	
DBL Cash Fund-Money Market	MM	Dreyfus Strategic Aggressive Investing	ST	(802) 229-3139* (local)	
DBL Tax-Free Fund-Limited Term	MU	Dreyfus Strategic Income	BD	(800) 233-4332 (out of state)	
DBL Tax-Free Fund-Long Term	MU	Dreyfus Strategic Investing	ST	Exchange privilege: Yes	
DBL Tax-Free Fund-Money Market	MM	Dreyfus Tax Exempt Bond Fund	MU	Sentinel Balanced Fund	BA
Drexel Burnham Fund	ST	Dreyfus Tax Exempt Money Market	MM	Sentinel Bond Fund	BD
Drexel Series-Bond-Debenture	BD	Dreyfus Third Century Fund	ST	Sentinel Cash Management Fund	MM
Drexel Series-Convertible Secs	ST	Dreyfus US Govt Intermediate Secs LP	BD	Sentinel Common Stock Fund	ST
Drexel Series-Emerging Growth	ST	First Lakeshore Diversified Asset	BA	Sentinel Government Securities	BD
Drexel Series-Government Securities	BD	First Lakeshore Govt Money Market	MM	Sentinel Growth Fund	ST
Drexel Series-Growth	ST	First Lakeshore Money Market Fund	MM	Fahnestock & Company	
Drexel Series-Option Income	ST	First Lakeshore Tax Ex Money Market	MM	110 Wall Street	
Fenimore International Fund	ST	General Money Market Fund	MM	New York, NY 10005	
		General Tax Exempt Money Market	MM	(212) 668-8108* (local)	
		Pacific Horizon-Aggressive Growth	ST	(800) 221-5588 (out of state)	
		Pacific Horizon-Calif Tax-Ex Bond	MU	Exchange privilege: Yes	
		Pacific Horizon-Government MM	MM	Eagle Growth Shares	ST
		Pacific Horizon-High Yield Bond	BD	Philadelphia Fund	ST
		Pacific Horizon-Money Market	MM	Fairfield Group	
		Pacific Horizon-Tax-Ex Money Market	MM	Prudential Business Campus	
		Park Ave NY Tax Ex Intermed Bond	MU	232 Lakeside Drive	
		Park Ave NY Tax Ex Money Market	MM	Horsham, PA 19044	
				(800) 222-3429 (local)	
				(800) 441-3885 (out of state)	
				Exchange privilege: Yes	
		Eaton Vance Distributors		St Clair Equity-Capital Growth	ST
		24 Federal Street		St Clair Fixed Income-Intermed Bond	BD
		Boston, MA 02110		St Clair Fixed Income-MM Prime Oblig	MM
		(617) 482-8260* (local)		St Clair Tax-Free Money Market	MM
		(800) 225-6265 (out of state)		Viking Equity Index Fund-General	ST
		Exchange privilege: Yes			
		Eaton & Howard Stock Fund	ST		
		Eaton Vance California Municipals	MU		
		Eaton Vance Cash Management Fund	MM		
		Eaton Vance Govt Obligations Trust	BD		
		Eaton Vance Growth Fund	ST		
		Eaton Vance High Income Trust	BA		
		Eaton Vance High Yield Fund	BD		
		Eaton Vance High Yield Municipals	MU		
		Eaton Vance Income Fund of Boston	BA		
		Eaton Vance Investors Fund	BA		
		Eaton Vance Muni Bond Fund	MU		
		Eaton Vance Special Equities Fund	ST		
		Eaton Vance Tax-Free Reserves	MM		
		Eaton Vance Total Return Trust	ST		
		Leverage Fund of Boston	ST		
		Nautilus Fund	ST		
		Vance, Sanders Special Fund	ST		

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Fund Distributors

Distributor	Type of fund
Fairmont Fund 1346 South Third Street Louisville, KY 40208 (502) 636-5633 (local) Exchange privilege: No	
Fairmont Fund	ST
FBL Investment Advisory Services 5400 University Avenue West Des Moines, IA 50265 (800) 422-3175 (local) (800) 247-4170 (out of state) Exchange privilege: Yes	
Farm Bureau Growth Fund	ST
Federated Securities Corp Federated Tower Pittsburgh, PA 15222-3779 (412) 288-1900* (local) (800) 245-2423 (out of state) Exchange privilege: Yes	
American Leaders Fund	ST
Federated Bond Fund	BD
Federated Corporate Cash Trust	BA
Federated Floating Rate Trust	BD
Federated GNMA Trust	BD
Federated Growth Trust	ST
Federated High Income Securities	BD
Federated High Quality Stock Fund	ST
Federated High Yield Trust	BD
Federated Income Trust	BD
Federated Intermediate Government	BD

Distributor	Type of fund
Federated Intermediate Municipal	MU
Federated Short-Intermediate Govt	BD
Federated Stock & Bond Fund	BA
Federated Stock Trust	ST
Federated Tax-Free Income Fund	MU
Federated Tax-Free Trust	MM
Federated US Government Fund	BD
Federated Utility Trust	ST
Fortress Convertible Secs & Income	BD
Fortress High Yield Tax-Free Fund	MU
FT International	ST
Fund for US Govt Securities	BD
Government Income Securities	BD
High Yield Cash Trust	MM
Liberty US Govt Money Market Trust	MM
Money Market Management	MM
AT Ohio Tax-Free Money Fund	MM
Tax-Free Instruments Trust	MM
Fidelity Distributors Corp 82 Devonshire Street Boston, MA 02109 (617) 523-1919* (local) (800) 544-6666 (out of state) Exchange privilege: Yes	
Fidelity Balanced Fund	BA
Fidelity Calif Tax-Free-High Yield	MU
Fidelity Calif Tax-Free-Insured	MU
Fidelity Calif Tax-Free-Money Market	MM

Distributor	Type of fund
Fidelity Capital Appreciation	ST
Fidelity Cash Reserves	MM
Fidelity Contrafund	ST
Fidelity Convertible Securities	ST
Fidelity Daily Income Trust	MM
Fidelity Destiny Portfolio I	ST
Fidelity Destiny Portfolio II	ST
Fidelity Equity-Income Fund	ST
Fidelity Europe Fund	ST
Fidelity Flexible Bond Fund	BD
Fidelity Freedom Fund	ST
Fidelity Fund	ST
Fidelity Ginnie Mae	BD
Fidelity Global Bond Fund	BD
Fidelity Government Securities	BD
Fidelity Growth & Income	ST
Fidelity Growth Company Fund	ST
Fidelity High Income Fund	BD
Fidelity Intermediate Bond Fund	BD
Fidelity Intl Growth & Income	ST
Fidelity Magellan Fund	ST
Fidelity Mass Tax-Free-High Yield	MU
Fidelity Mass Tax-Free-Money Market	MM
Fidelity Mortgage Securities	BD
Fidelity NY Tax-Free-High Yield	MU
Fidelity NY Tax-Free-Insured	MU
Fidelity NY Tax-Free-Money Market	MM
Fidelity OTC Portfolio	ST
Fidelity Overseas Fund	ST

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Distributor	Type of fund
Fidelity Pacific Basin Fund	ST
Fidelity Pennsylvania T-F-High Yield	MU
Fidelity Plymouth-Aggressive Income	BD
Fidelity Plymouth-Income & Growth	ST
Fidelity Puritan Fund	ST
Fidelity Real Estate Investment	ST
Fidelity Select-Air Transportation	ST
Fidelity Select-American Gold	ST
Fidelity Select-Automotive	ST
Fidelity Select-Biotechnology	ST
Fidelity Select-Broadcast & Media	ST
Fidelity Select-Brokerage & Invest	ST
Fidelity Select-Chemicals	ST
Fidelity Select-Computers	ST
Fidelity Select-Defense & Aerospace	ST
Fidelity Select-Electric Utilities	ST
Fidelity Select-Electronics	ST
Fidelity Select-Energy	ST
Fidelity Select-Energy Service	ST
Fidelity Select-Financial Services	ST
Fidelity Select-Food & Agriculture	ST
Fidelity Select-Health Care	ST
Fidelity Select-Industrial Materials	ST
Fidelity Select-Leisure	ST
Fidelity Select-Medical Delivery	ST
Fidelity Select-Money Market	MM
Fidelity Select-Paper & Forest Products	ST
Fidelity Select-Prec Metals & Minerals	ST
Fidelity Select-Property & Casualty	ST
Fidelity Select-Retailing	ST
Fidelity Select-Savings & Loan	ST

Distributor	Type of fund
Fidelity Select-Software & Computer	ST
Fidelity Select-Technology	ST
Fidelity Select-Telecommunications	ST
Fidelity Select-Utilities	ST
Fidelity Short-Term Bond	BD
Fidelity Special Situations-Initial	ST
Fidelity Special Situations-Plymouth	ST
Fidelity State Tax-Free-Michigan	MU
Fidelity State Tax-Free-Minnesota	MU
Fidelity State Tax-Free-Ohio	MU
Fidelity Tax-Exempt Money Market	MM
Fidelity Tax-Free-Aggressive	MU
Fidelity Tax-Free-High Yield	MU
Fidelity Tax-Free-Insured	MU
Fidelity Tax-Free-Limited Term Munis	MU
Fidelity Tax-Free-Municipal Bond	MU
Fidelity Texas Tax-Free	MU
Fidelity Trend Fund	ST
Fidelity US Government Reserves	MM
Fidelity Value Fund	ST
First American Money Fund	MM
Fiduciary Investment Co	
230 South Tryon Street	
Suite 345	
Charlotte, NC 28202	
(704) 331-0710 (local)	
(800) 527-1578 (out of state)	
Exchange privilege: No	
Salem Funds-Growth	ST

Distributor	Type of fund
Fiduciary Management	
222 East Mason Street	
Milwaukee, WI 53202	
(414) 271-6666* (local)	
(800) 527-1578 (out of state)	
Exchange privilege: No	
Fiduciary Capital Growth Fund	ST
Financial Programs	
PO Box 2040	
Denver, CO 80201	
(800) 332-9145 (local)	
(800) 525-8085 (out of state)	
Exchange privilege: Yes	
Financial Bond Shares-High Yield	BD
Financial Bond Shares-Select Income	BD
Financial Bond Shares-US Government	BD
Financial Daily Income Shares	MM
Financial Dynamics Fund	ST
Financial Industrial Fund	ST
Financial Industrial Income Fund	ST
Financial Strategic-Energy	ST
Financial Strategic-Gold	ST
Financial Strategic-Health Sciences	ST
Financial Strategic-Leisure	ST
Financial Strategic-Pacific Basin	ST
Financial Strategic-Technology	ST
Financial Strategic-Utilities	ST
Financial Tax-Free Income Shares	MU
World of Technology	ST

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Fund Distributors

Distributor	Type of fund
First Investors Management Co 10 Woodbridge Center Drive Woodbridge, NJ 07095 (212) 208-6000 (local) (800) 423-4026 (out of state) Exchange privilege: Yes	
First Investors Bond Appreciation	BD
First Investors Cash Mgmt Fund	MM
First Investors Discovery Fund	ST
First Investors Fund for Growth	ST
First Investors Fund for Income	BD
First Investors Government Fund	BD
First Investors High Yield Fund	BD
First Investors International Securities	ST
First Investors Natural Resources	ST
First Investors New York Tax Free	MU
First Investors Option Fund	ST
First Investors Tax Exempt Fund	MU
First Investors Value Fund	ST
First of Michigan 100 Renaissance Center Detroit, MI 48243 (800) 482-2560 (local) (800) 521-1264 (out of state) Exchange privilege: Yes	
Renaissance Assets Trust-Govt	MM
Renaissance Assets Trust-MM	MM
First Trust Funds 110 North Franklin Street Chicago, IL 60606 (800) 325-9536 (local) (800) 621-4770 (out of state) Exchange privilege: Yes	
First Trust Fund-US Government	BD
Flagship Financial One First National Plaza Suite 910 Dayton, OH 45402 (800) 354-7447 (local) (800) 227-4648 (out of state) Exchange privilege: Yes	
Flagship Tax Ex-Arizona Double T-E	MU
Flagship Tax Ex-Georgia Double T-E	MU
Flagship Tax Ex-Kentucky Double T-E	MU
Flagship Tax Ex-Michigan Double T-E	MU
Flagship Tax Ex-NC Double T-E	MU
Flagship Tax Ex-Ohio Double T-E	MU
Flagship Tax Ex-Penn Triple T-E	MU
Flagship Tax Ex-Virginia Double T-E	MU

Distributor	Type of fund
Flex Funds PO Box 7177 Dublin, OH 43017 (614) 766-7000* (local) (800) 325-3539 (out of state) Exchange privilege: Yes	
Flex-funds-Bond Fund	BD
Flex-funds-Growth Fund	ST
Flex-funds-Income & Growth Fund	ST
Flex-funds-Money Market Fund	MM
Flex-funds-Retirement Growth	ST
Florida Mutual Funds Group 7301 West Palmetto Park Road Suite C-105 Boca Raton, FL 33433 (305) 392-2667* (local) Exchange privilege: No	
Pinnacle Government-Portfolio I	MM
44 Securities One State Street Plaza New York, NY 10004 (212) 344-4224 (local) (800) 221-7836 (out of state) Exchange privilege: Yes	
44 Wall Street Equity Fund	ST
44 Wall Street Fund	ST
Founders Mutual Depositor Corp 3033 East First Avenue Suite 810 Denver, CO 80206 (800) 874-6301 (local) (800) 525-2440 (out of state) Exchange privilege: Yes	
Founders Equity Income Fund	ST
Founders Growth Fund	ST
Founders Mutual Fund	ST
Founders Special Fund	ST
Franklin Distributors 777 Mariner's Island Boulevard San Mateo, CA 94404-1585 (800) 632-2180 (nationwide) Exchange privilege: Yes	
Franklin AGE High Income Fund	BD
Franklin Calif Insured T-F Income	MU
Franklin Calif Tax-Exempt Money	MM
Franklin Calif Tax-Free Income	MU
Franklin Convertible Securities	BD
Franklin Dynatech Fund	ST
Franklin Equity Fund	ST
Franklin Federal Money Fund	MM
Franklin Federal Tax-Free Income	MU
Franklin Gold Fund	ST
Franklin Growth Fund	ST
Franklin High Yield Tax-Free Income	MU
Franklin Income	BA
Franklin Insured Tax-Free Income	MU
Franklin Mass Insured T-F Income	MU
Franklin Mich Insured T-F Income	MU
Franklin Minn Insured T-F Income	MU
Franklin Money Fund	MM
Franklin New York T-F Income	MU
Franklin Ohio Insured T-F Income	MU
Franklin Option Fund	ST
Franklin Pennsylvania T-F Income	MU
Franklin PR Tax-Free Income Fund	MU
Franklin Tax-Exempt Money Fund	MM
Franklin US Government Securities	BD
Franklin Utilities Fund	ST

Distributor	Type of fund
Fundamental Services 111 Broadway Suite 1107 New York, NY 10006 (800) 225-6864 (local) (800) 322-6864 (out of state) Exchange privilege: Yes	
California Muni Fund	MU
Furman Selz Mager Dietz & Birney 230 Park Avenue New York, NY 10169 (212) 309-8400 (local) (800) 845-8406 (out of state) Exchange privilege: Yes	
FundTrust-Aggressive Growth	ST
FundTrust-Growth	ST
FundTrust-Growth & Income	BA
FundTrust-Income	BD
Yes Fund	BD
Gateway Investment Advisors 400 Technecenter Drive Suite 220 Cincinnati, OH 45150 (513) 248-2700* (local) (800) 354-6339 (out of state) Exchange privilege: Yes	
Gateway Option Income Fund	ST
Gintel & Co Greenwich Office Park Op-6 Greenwich, CT 06830 (203) 622-6400* (local) (800) 243-5808 (out of state) Exchange privilege: Yes	
Gintel Capital Appreciation Fund	ST
Gintel ERISA Fund	ST
Gintel Fund	ST
GIT Investment Services 1655 North Fort Myer Drive Arlington, VA 22209 (800) 572-2050 (local) (800) 336-3063 (out of state) Exchange privilege: Yes	
GIT Equity Trust-Special Growth	ST
GIT Income Trust-A-Rated Income	BD
GIT Income Trust-Maximum Income	BD
GIT Tax-Free Trust-High Yield	MU
Government Investors Trust	MM

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Distributor	Type of fund
Gradison Mutual Funds 580 Building, 6th & Walnut Street Cincinnati, OH 45202 (800) 582-7062 (local) (800) 543-8640 (out of state) Exchange privilege: Yes	
Gradison Cash Reserves Trust	MM
Gradison Established Growth Fund	ST
Gradison Opportunity Growth Fund	ST
Greenspring Fund Quadrangle Village of Cross Keys Suite 322 Baltimore, MD 21210 (301) 435-9000 (local) Exchange privilege: No	
Greenspring Fund	ST
Growth Industry Shares 135 South La Salle Chicago, IL 60603 (312) 346-4830* (local) Exchange privilege: No	
Growth Industry Shares	ST
GT Global Growth Funds 601 Montgomery Street Suite 1400 San Francisco, CA 94111 (415) 392-6181* (local) (800) 824-1580 (out of state) Exchange privilege: Yes	
GT Global Europe	ST
GT Global International	ST
GT Global Japan	ST
GT Global Pacific	ST
Guardian Investor Services Corp 201 Park Avenue South New York, NY 10003 (800) 522-7800 (local) (800) 221-3253 (out of state) Exchange privilege: Yes	
Guardian Park Ave Fund	ST
John Hancock Distributors PO Box 21 Boston, MA 02117 (617) 572-4120 (local) (800) 225-5291 (out of state) Exchange privilege: Yes	
John Hancock Bond Trust	BD
John Hancock Cash Management	MM
John Hancock Global Trust	ST
John Hancock Growth Trust	ST
John Hancock High Income-Fixed Inc	BD
John Hancock Special Equities	ST
John Hancock Tax-Exempt Income	MU
John Hancock US Govt Guar Mortgage	BD
John Hancock US Govt Securities	BD

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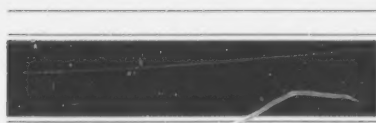
Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
Hartwell Funds 515 Madison Avenue 31st Floor New York, NY 10022 (212) 308-3355* (local) (800) 645-6405 (out of state) Exchange privilege: Yes		IAI Funds PO Box 357 Minneapolis, MN 55440 (612) 371-7780 (local) Exchange privilege: Yes		Institutional Capital Management 9003 Greentree Common Suite I Marlton, NJ 08053 (800) 634-2536 (nationwide) Exchange privilege: No	
Hartwell Growth Fund	ST	IAI Apollo	ST	Trinity Liquid Assets Trust	MM
Hartwell Leverage Fund	ST	IAI Bond Fund	BD	Integrated Asset Management 666 Third Avenue 5th Floor New York, NY 10017 (212) 551-6700 (local) (800) 232-1230 (out of state) Exchange privilege: Yes	
Heine Management Group PO Box 830 Westport, CT 06881 (800) 522-2564 (local) (800) 422-2564 (out of state) Exchange privilege: No		IAI International Fund	ST	Home Investors Govt Guaranteed Inc	BD
LMH Fund	ST	IAI Regional Fund	ST	Integrated Capital Appreciation	ST
Heine Securities 26 Broadway New York, NY 10004 (212) 908-4047* (local) (800) 457-0211 (out of state) Exchange privilege: No		IAI Reserve Fund	BD	Integrated Equity-Aggressive Growth	ST
Mutual Beacon Fund	ST	IAI Stock Fund	ST	Integrated Equity-Growth	ST
Mutual Qualified Income Fund	ST	I dex Management PO Box 5068 Clearwater, FL 33518 (800) 282-7152 (local) (800) 237-3055 (out of state) Exchange privilege: Yes		Integrated Income-Convertible Secs	BD
Mutual Shares Corp	ST	IDEX Fund	ST	Integrated Income-High Yield	BD
JB Hilliard, WL Lyons 545 South Third Street Louisville, KY 40202 (800) 292-1886 (local) (800) 626-2023 (out of state) Exchange privilege: Yes		IDEX II	ST	Integrated Income-Plus Fund	BD
Hilliard-Lyons Government Fund	MM	IDEX 3	ST	Integrated Money Market Securities	MM
Wayne Hummer & Co 175 West Jackson Boulevard Chicago, IL 60604 (800) 558-3513 (local) (800) 621-4477 (out of state) Exchange privilege: Yes		IDS Financial Services IDS Tower 10 Minneapolis, MN 55440 (612) 372-3131* (local) (800) 328-8300 (out of state) Exchange privilege: Yes		Integrated Tax-Free-Stripes	MU
Wayne Hummer Growth Fund	ST	IDS Bond Fund	BD	Integrated Tax-Free-US T-F Income	BD
Wayne Hummer Money Fund Trust	MM	IDS California Tax-Exempt Fund	MU	International Heritage 101 Summer Street Boston, MA 02110 (617) 482-8757 (local) (800) 237-5047 (out of state) Exchange privilege: Yes	
EF Hutton & Co 31 West 52nd New York, NY 10019 (212) 742-5432 (local) (800) 334-4636 (out of state) Exchange privilege: Yes		IDS Cash Management Fund	MM	Omega Fund	ST
Cash Reserve Management	MM	IDS Discovery Fund	ST	Interstate Capital Growth Fund 2700 NCNB Plaza Charlotte, NC 28280 (704) 379-9074* (local) Exchange privilege: No	
Hutton AMA Cash Fund	MM	IDS Equity Plus	ST	Interstate Capital Growth Fund	ST
Hutton California Municipal Fund	MU	IDS Extra Income Fund	BD	Investors Management Group 418 6th Avenue Suite 720 Liberty Building Des Moines, IA 50309 (515) 244-5426* (local) Exchange privilege: Yes	
Hutton Government Fund	MM	IDS Federal Income Fund	BD	Bond Accumulation Fund	BD
Hutton Investment-Basic Value	ST	IDS Growth Fund	ST	Iowa Liquid Assets Fund	MM
Hutton Investment-Bond & Income	BD	IDS High Yield Tax-Exempt Fund	MU	Stock Accumulation Fund	ST
Hutton Investment-Govt Securities	BD	IDS Insured Tax-Exempt Fund	MU	Investors Security Trust 110 Bank Street Suffolk, VA 23434 (804) 539-2396 (local) Exchange privilege: No	
Hutton Investment-Growth	ST	IDS International Fund	ST	Old Dominion Investors' Trust	ST
Hutton Investment-Option Income	ST	IDS Managed Retirement Fund	ST	IRI Securities One Appleton Square Minneapolis, MN 55420 (612) 853-9500 (local) (800) 328-1010 (out of state) Exchange privilege: No	
Hutton Investment-Precious Metals	ST	IDS Minnesota Tax-Exempt Fund	MU	IRI Stock Fund	ST
Hutton Investment-Short Term Invest	MM	IDS Mutual	BA	Midas Gold Shares & Bullion	ST
Hutton Investment-Special Equities	ST	IDS New Dimensions Fund	ST		
Hutton National Municipal Fund	MU	IDS New York Tax-Exempt Fund	MU		
Hutton New York Municipal Fund	MU	IDS Precious Metals Fund	ST		
Municipal Cash Reserve Management	MM	IDS Progressive Fund	ST		
		IDS Selective Fund	BD		
		IDS Stock Fund	ST		
		IDS Strategy-Aggressive Equity	ST		
		IDS Strategy-Equity	ST		
		IDS Strategy-Income	BD		
		IDS Strategy-Pan Pacific Growth	ST		
		IDS Tax-Exempt Bond Fund	MU		
		IDS Tax-Free Money Fund	MM		

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Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
ITB Distributors 60 State Street Boston, MA 02109 (617) 542-0213* (local) (800) 451-0502 (out of state) Exchange privilege: No		Edward D Jones & Co 201 Progress Parkway Maryland Heights, MO 63043 (314) 851-2000 (local) Exchange privilege: No		Kleinwort Benson 200 Park Avenue Suite 5610 New York, NY 10166 (212) 983-4000 (local) (800) 233-9164 (out of state) Exchange privilege: No	
Empire Builder Tax Free Bond Fund	MU	ED Jones Daily Passport Cash Trust	MM	Kleinwort Benson Transatlantic Gr	ST
Investment Trust of Boston	ST	Kemper Financial Services 120 South LaSalle Street Chicago, IL 60603 (312) 781-1121 (local) (800) 621-1048 (out of state) Exchange privilege: Yes		Kleinwort Benson Transatlantic Inc	BD
Investment of Boston-High Inc Plus	BD	Cash Equivalent Fund-Govt	MM	Ladenburg, Thalmann & Co 540 Madison Avenue New York, NY 10022 (212) 940-0253 (local) Exchange privilege: No	
Investment of Boston-Mass T-F Inc	MU	Cash Equivalent Fund-MM	MM	Westergaard Fund	ST
Ivy Fund 40 Industrial Park Road Hingham, MA 02043 (617) 749-1422* (local) (800) 235-3322 (out of state) Exchange privilege: Yes		Investment Portfolios-Equity	ST	Michael W Lamb & Associates 1001 East 101st Terrace Suite 220 Kansas City, MO 64131 (816) 941-7990 (local) Exchange privilege: No	
Ivy Growth Fund	ST	Investment Portfolios-Govt Plus	BD	Wealth Monitors Fund	ST
Ivy International Fund	ST	Investment Portfolios-High Yield	BD	Landmark Funds Broker Dealer Serv 200 Berkeley Street Boston, MA 02116 (617) 423-1679 (local) Exchange privilege: No	
Raymond James & Associates 880 Carillon Parkway St. Petersburg, FL 33733 (813) 578-3333 (local) (800) 237-0700 (out of state) Exchange privilege: Yes		Investment Portfolios-Option Income	ST	Landmark Capital Growth Fund	ST
Heritage Capital Appreciation	ST	Investment Portfolios-Total Return	BA	Landmark Growth & Income Fund	ST
Heritage Cash Trust	MM	Kemper Calif Tax-Free Income Fund	MU	Landmark New York Tax Free Income	MU
Heritage Convertible Income-Growth	BD	Kemper Government MM Fund	MM	Landmark US Govt Income Fund	BD
Janus Capital 100 Fillmore Street Suite 300 Denver, CO 80206 (303) 333-3863* (local) (800) 525-3713 (out of state) Exchange privilege: Yes		Kemper Growth Fund	ST	Lazard Frères & Co One Rockefeller Plaza New York, NY 10020 (212) 957-5343 (local) (800) 854-8525 (out of state) Exchange privilege: No	
Janus Investment Fund	ST	Kemper High Yield Fund	BD	Lazard Frères-Bond Fund	BD
Janus Value Fund	ST	Kemper Income & Capital Preservation	BD	Lazard Frères-Cash Management Fund	MM
Janus Venture Fund	ST	Kemper International Fund	ST	Lazard Frères-Equity Fund	ST
Jefferson-Pilot Investor Services PO Box 21008 Greensboro, NC 27420 (919) 378-2448 (local) Exchange privilege: Yes		Kemper Money Market Fund	MM	Lazard Frères-Government Fund	MM
JP Growth Fund	ST	Kemper Muni Bond Fund	MU	Lazard Frères-Tax-Free Money Market	MM
JP Income Fund	BD	Kemper Option Income Fund	ST	Legg Mason Wood Walker PO Box 1476 Baltimore, MD 21203 (301) 539-3400 (local) (800) 822-5544 (out of state) Exchange privilege: Yes	
Jones & Babson 2440 Pershing Road Kansas City, MO 64108 (816) 471-5200* (local) (800) 821-5591 (out of state) Exchange privilege: Yes		Kemper Summit Fund	ST	Legg Mason Cash Reserve Trust	MM
Babson Bond Trust	BD	Kemper Tax-Free Income-National	MU	Legg Mason Special Investment	ST
Babson Enterprise Fund	ST	Kemper Total Return Fund	BA	Legg Mason Tax Exempt Trust	MM
Babson Growth Fund	ST	Kemper US Govt Securities	BD	Legg Mason Total Return Trust	ST
Babson Money Market Fund-Prime	MM	Kemper Exempt Money Market Fund	MM	Legg Mason Value Trust	ST
Babson Tax-Free Income-Long Term	MU	Technology Fund	ST		
Babson Tax-Free Income-Short Term	MU	Keystone Distributors 99 High Street Boston, MA 02110 (617) 338-3400* (local) (800) 225-2618 (out of state) Exchange privilege: Yes			
Babson Value Fund	ST	Keystone America Tax Free Income	MU		
UMB Bond Fund	BD	Keystone Custodian B-1	BD		
UMB Money Market-Federal	MM	Keystone Custodian B-2	BD		
UMB Money Market-Prime	MM	Keystone Custodian B-4	BD		
UMB Stock Fund	ST	Keystone Custodian K-1	BA		
UMB Tax-Free Money Market	MM	Keystone Custodian K-2	ST		
		Keystone Custodian S-1	ST		
		Keystone Custodian S-3	ST		
		Keystone Custodian S-4	ST		
		Keystone International Fund	ST		
		Keystone Liquid Trust	MM		
		Keystone Precious Metals Holdings	ST		
		Keystone Tax Exempt Trust	MU		
		Keystone Tax Free Fund	MU		
		Kidder Peabody 20 Exchange Place New York, NY 10005 (212) 510-5552 (local) Exchange privilege: Yes			
		Kidder Peabody Equity Income	ST		
		Kidder Peabody Government Income	BD		
		Kidder Peabody Government Money	MM		
		Kidder Peabody MarketGuard Apprec	ST		
		Kidder Peabody Premium Account	MM		
		Kidder Peabody Special Growth Fund	ST		
		Kidder Peabody Tax Exempt M.M.	MM		
		Kidder Peabody Tax-Free Income-Natl	MU		
		Kidder Peabody Tax-Free Income-NY	MU		
		Webster Cash Reserve Fund	MM		

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Distributor	Type of fund
Lehman Brothers Distributor 55 Water Street 34th Floor New York, NY 10041 (212) 668-8578* (local) (800) 221-5350 (out of state) Exchange privilege: Yes	
Lehman Capital Fund	ST
Lehman Investors Fund	ST
Lehman Management Cash Reserves	MM
Lehman Management T-F Reserves	MM
Lehman Opportunity Fund	ST
Lepercq-Isstel Trust 345 Park Avenue 23rd Floor New York, NY 10154 (212) 702-0174* (local) (800) 548-7878 (out of state) Exchange privilege: Yes	
Lepercq-Isstel Fund	ST
Lexington Management Corp PO Box 1515 Saddle Brook, NJ 07662 (201) 845-7300* (local) (800) 526-0056 (out of state) Exchange privilege: Yes	
Corp Leaders Tr Certificates Ser B	ST
Lexington Global Fund	ST
Lexington GNMA Income Fund	BD
Lexington Goldfund	ST
Lexington Growth Fund	ST
Lexington Money Market Trust	MM
Lexington Research Fund	ST
Lexington Tax Exempt Bond-National	MU
Lexington Tax Free Money Fund	MM
Lieber & Co 550 Mamaroneck Avenue Harrison, NY 10528 (914) 698-5711 (local) (800) 235-0064 (out of state) Exchange privilege: Yes	
Evergreen Fund	ST
Evergreen Total Return Fund	ST
Evergreen Value Timing Fund	ST
Lincoln Investment Planning The Benson East Office Plaza Suite 1000 — Department F Jenkintown, PA 19046 (800) 222-3317 (local) (800) 242-1421 (out of state) Exchange privilege: Yes	
Righttime Fund	ST
Righttime-Government Securities	BD

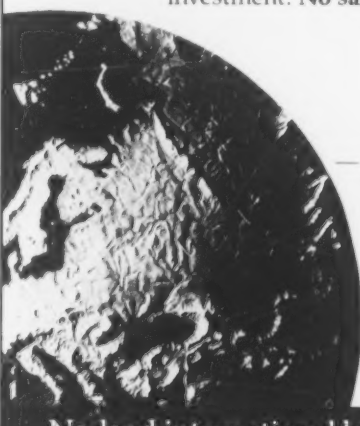
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Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
Lindner Management Corp 200 South Bemiston PO Box 11208 St Louis, MO 63105 (314) 727-5305 (local) Exchange privilege: Yes		Massachusetts Financial Services P.O. Box 2281 Boston, MA 02107 (617) 423-3500 (local) (800) 225-2606 (out of state) Exchange privilege: Yes		Merrill Lynch Funds Boston 125 High Street 1st Floor Boston, MA 02110 (617) 357-1434* (local) (800) 225-1576 (out of state) Exchange privilege: Yes	
Lindner Dividend Fund	ST	Mass Capital Development Fund	ST	Merrill Lynch Government Fund	MM
Lindner Fund	ST	Mass Cash Management-Govt	MM	Merrill Lynch Institutional Fund	MM
Lord Abnett & Co 63 Wall Street New York, NY 10005 (212) 425-8720* (local) (800) 223-4224 (out of state) Exchange privilege: Yes		Mass Cash Management-Prime	MM	Merrill Lynch Funds Distributor New Brunswick, NJ 08989-0063 (609) 282-2800 (local) (800) 637-3863 (out of state) Exchange privilege: Yes	
Affiliated Fund	ST	Mass Financial Bond Fund	BD	CBA Money Fund	MM
Lord Abnett Bond-Debtenture Fund	BD	Mass Financial Development Fund	ST	Merrill Lynch Basic Value Fund	ST
Lord Abnett California T-F Income	MU	Mass Financial Emerging Growth	ST	Merrill Lynch California Tax-Exempt	MU
Lord Abnett Cash Reserve Fund	MM	Mass Financial High Income-Series I	BD	Merrill Lynch Capital Fund	ST
Lord Abnett Developing Growth	ST	Mass Financial International-Bond	BD	Merrill Lynch Corp Bond-High Income	BD
Lord Abnett Fundamental Value	ST	Mass Financial Special Fund	BD	Merrill Lynch Corp Bond-High Quality	BD
Lord Abnett Tax-Free-National	MU	Mass Financial Total Return Trust	BA	Merrill Lynch Corp Bond-Intermediate	BD
Lord Abnett Tax-Free-New York	MU	Mass Investors Growth Stock Fund	ST	Merrill Lynch Equi-Bond I Fund	BA
Lord Abnett Tax-Free-Texas	MU	Mass Investors Trust	ST	Merrill Lynch EuroFund	ST
Lord Abnett US Government Securities	BD	MFS Government Guaranteed Secs	BD	Merrill Lynch Federal Securities	BD
Lord Abnett Value Appreciation	ST	MFS Government Secs High Yield	BD	Merrill Lynch Fund for Tomorrow	ST
Mackenzie Investment Management 1665 Palm Beach Lake Boulevard Suite 604 West Palm Beach, FL 33401 (800) 824-6067 (local) (800) 222-2274 (out of state) Exchange privilege: Yes		MFS Lifetime Capital Growth Trust	ST	Merrill Lynch International Holdings	ST
Industrial Series-American Fund	ST	MFS Lifetime Dividends Plus Trust	ST	Merrill Lynch Muni Bond-High Yield	MU
Industrial Series-Govt Secs Plus	BD	MFS Lifetime Emerging Growth Trust	ST	Merrill Lynch Muni Bond-Insured	MU
Industrial Series-Option Income	BA	MFS Lifetime Global Equity Trust	ST	Merrill Lynch Muni Bond-Ltd Maturity	MU
Madison Investment Advisors 402 South Gammon Place Madison, WI 53719 (608) 833-6300 (local) Exchange privilege: No		MFS Lifetime Government Inc Plus	BD	Merrill Lynch Municipal Income	MU
Bascom Hill Investors	ST	MFS Lifetime High Income Trust	BD	Merrill Lynch Natural Resources	ST
Mairs & Power W-2062 First National Bank Building St Paul, MN 55101 (612) 222-8478 (local) Exchange privilege: No		MFS Lifetime Managed Muni Bond	BD	Merrill Lynch New York Muni Bond	MU
Mairs & Power Growth Fund	ST	MFS Lifetime Managed Sectors Trust	ST	Merrill Lynch Pacific Fund	ST
Mairs & Power Income Fund	ST	MFS Managed California Tax-Exempt	MU	Merrill Lynch Phoenix Fund	BA
Horace Mann Growth Fund One Horace Mann Plaza Springfield, IL 62715 (217) 789-2500 (local) (800) 832-2437 (out of state) Exchange privilege: Yes		MFS Managed High Yield Muni Bond	MU	Merrill Lynch Ready Assets Trust	MM
Horace Mann Growth Fund	ST	MFS Managed M-S T-E-Maryland	MU	Merrill Lynch Retirement Benefit Inv	ST
		MFS Managed M-S Tax-Exempt-Mass	MU	Merrill Lynch Retirement Equity	ST
		MFS Managed M-S Tax-Exempt-NC	MU	Merrill Lynch Retirement Global Bond	BD
		MFS Managed M-S Tax-Exempt-SC	MU	Merrill Lynch Retirement/Income	BD
		MFS Managed M-S T-E-Virginia	MU	Merrill Lynch Retirement Res Money	MM
		MFS Managed M-S Tax-Exempt-W Va	MU	Merrill Lynch Special Value	ST
		MFS Managed Muni Bond Trust	MU	Merrill Lynch USA Govt Reserves	MM
		MFS Managed Sectors Trust	ST	Sci/Tech Holdings	ST
				Summit Cash Reserves Fund	MM
		Mathers Fund 125 South Wacker Drive Chicago, IL 60606 (312) 236-8215* (local) Exchange privilege: No		Merrill Lynch, Pierce, Fenner & Smith One Liberty Plaza 165 Broadway New York, NY 10080 (609) 282-3200 (local) Exchange privilege: Yes	
		Mathers Fund	ST	CMA Government Securities Fund	MM
		McDonald & Company Securities 2100 Society Building Cleveland, OH 44114 (216) 443-2300 (local) (800) 451-6200 (out of state) Exchange privilege: Yes		CMA Money Fund	MM
		McDonald Money Market Fund	MM	CMA Tax-Exempt Fund	MM
		McDonald Tax Exempt Money Market	MM	MetLife State Street Investment One Financial Center Boston, MA 02111 (800) 882-0052 (nationwide) Exchange privilege: No	
		Meeschaert & Company 47 Miller Hill Road Dover, MA 02030 (617) 785-1403 (local) Exchange privilege: No		MetLife-State Street Cap Appreciation	ST
		Meeschaert Capital Accumulation	ST	MetLife-State Street Equity Income	ST
		Meeschaert International Bond	BD	MetLife-State Street Equity Invest	ST
		Meridian Fund 60 East Sir Francis Drake Blvd Suite 306 Larkspur, CA 94939 (800) 445-5553 (local) (800) 446-6662 (out of state) Exchange privilege: No		MetLife-State Street Government Inc	BD
		Meridian Fund	ST	MetLife-State Street Government Secs	BD
				MetLife-State Street High Income	BD
				MetLife-State Street High Income T-E	MU

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Distributor	Type of fund
MGF Distributors 700 Dixie Terminal Building Cincinnati, OH 45202 (800) 582-7396 (local) (800) 543-8721 (out of state) Exchange privilege: Yes	
ABT Growth & Income Trust	ST
ABT Investment-Emerging Growth	ST
ABT Investment-Security Income	ST
ABT Utility Income Fund	ST
Financial Independence-Growth Fund	ST
Financial Independence-US Govt Secs	BD
Midwest Group T-F-Limited Term	MU
Midwest Group T-F-MM	MM
Midwest Group T-F-Ohio Long Term	MU
Midwest Income-Intermed Term Govt	BD
Midwest Income-Short Term Govt	MM
MidAmerica Management 4333 Edgewood Road NE Cedar Rapids, IA 52499 (800) 342-4490 (local) (800) 553-4936 (out of state) Exchange privilege: Yes	
MidAmerica High Growth Fund	ST
MidAmerica High Yield Fund	BD
MidAmerica Mutual Fund	ST
MidAmerica Tax Exempt Bond Fund	BD
Milwaukee Co 250 East Wisconsin Avenue Milwaukee, WI 53202 (800) 242-1001 (local) (800) 558-1015 (out of state) Exchange privilege: Yes	
Heartland US Government Fund	BD
Heartland Value Fund	ST
Trust for Cash Reserves	MM
Mimic Asset Management 400 North Robert Street St Paul, MN 55101 (612) 298-3826 (local) (800) 362-3141 (out of state) Exchange privilege: Yes	
Mimic Investors Fund I	ST
Mimic Mortgage Securities Income	BD
Morgan Keegan & Co 50 North Front Street Memphis, TN 38103 (901) 524-4100 (local) (800) 238-7127 (out of state) Exchange privilege: No	
Morgan Keegan Daily Cash Trust	MM

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Fund Distributors

Distributor	Type of fund
Morgan Stanley & Co 1251 Avenue of the Americas New York, NY 10020 (212) 398-2900 (local) (800) 521-5412 (out of state) Exchange privilege: Yes	
Pierpont Capital Appreciation Fund	ST
Pierpont Equity Fund	ST
Pierpont Money Market	ST
Pierpont Tax Exempt Bond Fund	MU
Pierpont Tax Exempt Money Market	MM
Morison Asset Management Suite 400 1201 Marquette Avenue Minneapolis, MN 55403 (612) 332-1588 (local) (800) 722-4393 (out of state) Exchange privilege: No	
Morison Asset Allocation Fund	ST
Murphy Favre West 601 Riverside Avenue Spokane, WA 99201 (800) 572-5828 (local) (800) 541-0830 (out of state) Exchange privilege: Yes	
Composite Bond & Stock Fund	BA
Composite Cash Management	MM
Composite Growth Fund	ST
Composite Income Fund	BD
Composite Select-Northwest	ST
Composite Select-Value	ST
Composite Tax-Exempt Bond Fund	MU
Composite US Govt Securities	BD
Mutual Benefit Financial Services Co 290 Westminster Street Providence, RI 02903 (401) 751-8600* (local) (800) 333-4726 (out of state) Exchange privilege: No	
Mutual Benefit Fund	ST
Mutual of Omaha Fund Management 10235 Regency Circle Omaha, NE 68114 (800) 642-8112 (local) (800) 228-9596 (out of state) Exchange privilege: Yes	
Mutual of Omaha America Fund	BD
Mutual of Omaha Cash Reserve	MM
Mutual of Omaha Growth Fund	ST
Mutual of Omaha Income Fund	BA
Mutual of Omaha MM Account	MM
Mutual of Omaha Tax-Free Income	MU

Distributor	Type of fund
National Financial Data Service PO Box 26070 Kansas City, MO 64196-7070 (816) 283-1700 (local) (800) 225-8011 (out of state) Exchange privilege: No	
Neuwirth Fund	ST
Pine Street Fund	ST
National Industries Fund 5990 Greenwood Plaza Boulevard Suite 325 Englewood, CO 80111 (303) 220-8500 (local) (800) 367-7814 (out of state) Exchange privilege: No	
National Industries Fund	ST
National Securities & Research Corp 605 Third Avenue 12th Floor New York, NY 10158 (212) 661-3000* (local) (800) 223-7757 (out of state) Exchange privilege: Yes	
California Tax Exempt Bonds	MU
Fairfield Fund	ST
National Bond Fund	BD
National Federal Securities Trust	BD
National Growth Fund	ST
National Preferred Fund	BD
National Premium Income	BD
National Real Estate-Income Fund	BD
National Real Estate-Stock Fund	ST
National Securities Tax Exempt Bonds	MU
National Stock Fund	ST
National Total Income Fund	BA
National Total Return Fund	BA
Nationwide Financial Services One Nationwide Plaza Columbus, OH 43216 (800) 282-1440 (local) (800) 848-0920 (out of state) Exchange privilege: Yes	
Nationwide Bond Fund	BD
Nationwide Fund	ST
Nationwide Growth Fund	ST
Nationwide Money Market Fund	MM
Nationwide Tax-Free Fund	MU
Neuberger & Berman Management 342 Madison Avenue New York, NY 10173 (212) 850-8300* (local) (800) 367-0770 (out of state) Exchange privilege: Yes	
Energy Fund	ST
Guardian Mutual Fund	ST
Liberty Fund	BD
Manhattan Fund	ST
Neuberger & Berman Govt Money	MM
Neuberger & Berman Ltd Mat Bond	BD
Neuberger & Berman MM Plus	MM
Neuberger & Berman Tax-Free Money	MM
Partners Fund	ST

Distributor	Type of fund
New England Securities 399 Boylston Street Boston, MA 02117 (800) 343-7104 (nationwide) Exchange privilege: Yes	
Loomis-Sayles Capital Development	ST
Loomis-Sayles Mutual Fund	BA
New England Bond Income Fund	BD
New England Cash Management-MM	MM
New England Equity Income Fund	ST
New England Government Securities	BD
New England Growth Fund	ST
New England Retirement Equity Fund	ST
New England T-E Income Fund	MU
New England T-E Money Market	MM
New York Muni Fund 111 Broadway Suite 1107 New York, NY 10006 (212) 608-6864* (local) (800) 225-6864 (out of state) Exchange privilege: No	
New York Muni Fund	MU
Newton Fund PO Box 1348 Milwaukee, WI 53201 (800) 242-7229 (local) (800) 247-7039 (out of state) Exchange privilege: Yes	
Newton Growth Fund	ST
Newton Income Fund	BD
Nicholas Company 700 North Water Street Milwaukee, WI 53202 (414) 272-6133 (local) Exchange privilege: Yes	
Nicholas Fund	ST
Nicholas II	ST
Nicholas Income Fund	BD
Nicholas Limited Edition	ST
Noddings Asset Management 2001 Spring Road Suite 750 Oakbrook, IL 60521 (800) 821-6458 (local) (800) 251-2411 (out of state) Exchange privilege: No	
Noddings Convertible Strategies	ST
Nomura Capital Management 180 Maiden Lane New York, NY 10038 (212) 208-9300* (local) (800) 833-0018 (out of state) Exchange privilege: No	
Nomura Pacific Basin Fund	ST

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Distributor	Type of fund
Northeast Investors Trust 50 Congress Street 10th Floor Boston, MA 02109 (617) 523-3588 (local) (800) 225-6704 (out of state) Exchange privilege: Yes	
Northeast Investors Growth Northeast Investors Trust	ST BD
Nova Distributors 260 Franklin Street Boston, MA 02110 (617) 439-9683* (local) (800) 572-0006 (out of state) Exchange privilege: No	
Nova Fund	ST
John Nuveen & Co 333 West Wacker Drive Chicago, IL 60606 (312) 917-7844* (local) (800) 621-7210 (out of state) Exchange privilege: No	
Nuveen California T-F-Insured Bond	MU
Nuveen California T-F-Money Market	MM
Nuveen California T-F-Special Bond	MU
Nuveen Insured T-F Bond-National	MU
Nuveen Insured T-F Bond New-York	MU
Nuveen Municipal Bond Fund	MU
Nuveen Tax-Exempt Money Market	MM
Nuveen Tax-Free Bond-Massachusetts	MU
Nuveen Tax-Free Bond-New York	MU
Nuveen Tax-Free Bond-Ohio	MU
Nuveen Tax-Free Reserves	MM
Tax-Free Accounts	MM
Ohio Company 155 East Broad Street Columbus, OH 43215 (614) 464-6811 (local) (800) 848-7734 (out of state) Exchange privilege: Yes	
Cardinal Fund	ST
Cardinal Government Guaranteed	BD
Cardinal Government Securities	MM
Cardinal Tax Exempt Money Trust	MM
Olympic Trust 800 West Sixth Street Suite 540 Los Angeles, CA 90017 (213) 623-7833 (local) Exchange privilege: Yes	
Olympic Trust-Series B	ST
Oppenheimer Capital Corp Oppenheimer Tower World Financial Center New York, NY 10281 (800) 525-7040 (nationwide) Exchange privilege: No	
Quest for Value-Cash Management	MM
Quest for Value Fund	ST

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Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
Oppenheimer Investor Services PO Box 300 Denver, CO 80201 (303) 671-3200 (local) (800) 525-7048 (out of state) Exchange privilege: Yes		Paribas Trust For Institutions 30 Rockefeller Plaza 38th Floor New York, NY 10020 (212) 408-0964* (local) Exchange privilege: No		Pilgrim Group 10100 Santa Monica Boulevard Suite 2150 Los Angeles, CA 90067 (201) 461-7500* (local) (800) 526-0475 (out of state) Exchange privilege: Yes	
Oppenheimer Asset Allocation Fund	BD	Paribas Trust-Quantus Equity	ST	Pilgrim GNMA Fund	BD
Oppenheimer Blue Chip Fund	ST	Parkway Management 985 Old Eagle School Road Suite 515 Wayne, PA 19087 (215) 688-8165* (local) Exchange privilege: Yes		Pilgrim High Yield Trust	BD
Oppenheimer Bond Fund	BD	Parkway Cash Fund	MM	Pilgrim MagnaCap Fund	ST
Oppenheimer Capital Appreciation	ST	Parnassus Financial Management 244 California Street San Francisco, CA 94111 (415) 362-3505 (local) Exchange privilege: No		Pilgrim Preferred Fund	BD
Oppenheimer Challenger Fund	ST	Parnassus Fund	ST	Pilgrim Rising Profitability Fund	ST
Oppenheimer Directors Fund	ST	Pax World Fund 224 State Street Portsmouth, NH 03801 (603) 431-8022 (local) Exchange privilege: No		Pioneer Group 60 State Street Boston, MA 02109 (617) 742-7825* (local) (800) 225-6292 (out of state) Exchange privilege: Yes	
Oppenheimer Equity Income Fund	ST	Penn Square Management PO Box 1419 Reading, PA 19603 (800) 222-7506 (local) (800) 523-8440 (out of state) Exchange privilege: No		Pioneer Bond Fund	BD
Oppenheimer Fund	ST	Penn Square Mutual Fund	ST	Pioneer Fund	ST
Oppenheimer Global Fund	ST	Pennsylvania Mutual Fund 1414 Avenue of the Americas New York, NY 10019 (212) 355-7311* (local) (800) 221-4268 (out of state) Exchange privilege: No		Pioneer II	ST
Oppenheimer GNMA Fund	BD	Pennsylvania Mutual Fund	ST	Pioneer Municipal Bond Fund	MU
Oppenheimer Gold & Special Mins	ST	Permanent Portfolio Fund PO Box 5847 Austin, TX 78763 (512) 453-7558* (local) (800) 531-5142 (out of state) Exchange privilege: Yes		Pioneer Three	ST
Oppenheimer High Income Fund	BD	Phoenix Equity Planning Corp One American Row Hartford, CT 06115 (203) 278-8050* (local) (800) 243-1574 (out of state) Exchange privilege: Yes		Prescott, Ball & Turben 230 West Monroe Street Suite 2800 Chicago, IL 60606 (800) 572-4437 (local) (800) 621-7321 (out of state) Exchange privilege: Yes	
Oppenheimer High Yield Fund	BD	Phoenix Balanced Fund	BA	Selected American Shares	ST
Oppenheimer Money Market Fund	MM	Phoenix Convertible Fund	ST	Selected Special Shares	ST
Oppenheimer New York Tax-Exempt	MU	Phoenix Growth Fund	ST	T Rowe Price Associates 100 East Pratt Street Baltimore, MD 21202 (301) 547-2308* (local) (800) 638-5660 (out of state) Exchange privilege: Yes	
Oppenheimer OTC Fund	MU	Phoenix High Quality Bond Fund	BD	T Rowe Price Capital Appreciation	ST
Oppenheimer Premium Income	ST	Phoenix High Yield Fund	BD	T Rowe Price Equity Income Fund	ST
Oppenheimer Regency Fund	ST	Phoenix Money Market Fund	MM	T Rowe Price GNMA Fund	BD
Oppenheimer Special Fund	ST	Phoenix Stock Fund	ST	T Rowe Price Growth & Income Fund	ST
Oppenheimer Target Fund	ST	Phoenix Total Return	ST	T Rowe Price Growth Stock Fund	ST
Oppenheimer Tax-Free Bond Fund	MU			T Rowe Price High Yield Fund	BD
Oppenheimer Time Fund	ST			T Rowe Price International Bond	BD
Oppenheimer Total Return Fund	ST			T Rowe Price International Stock	ST
Oppenheimer US Government	BD			T Rowe Price Maryland Tax-Free Bond	MU
Pacific Financial Research 9601 Wilshire Boulevard Suite 828 Beverly Hills, CA 90210 (213) 278-4461 (local) Exchange privilege: No				T Rowe Price New America Growth	ST
Clipper Fund	BA			T Rowe Price New Era Fund	ST
PaineWebber 1285 Avenue of the Americas 18th Floor New York, NY 10019 (212) 437-3800 (local) Exchange privilege: Yes				T Rowe Price New Horizons Fund	ST
PaineWebber America Fund	ST			T Rowe Price New Income Fund	BD
PaineWebber Atlas Fund	ST			T Rowe Price New York Tax-Free Bond	MU
PaineWebber Calif Tax-Exempt Income	MU			T Rowe Price Prime Reserve Fund	MM
PaineWebber Cashfund	MM			T Rowe Price Short-Term Bond Fund	BD
PaineWebber Fixed Inc-GNMA	BD			T Rowe Price Tax-Exempt Money Fund	MM
PaineWebber Fixed Inc-High Yield	BD			T Rowe Price Tax-Free California Bond	MU
PaineWebber Fixed Inc-Invest Grade	BD			T Rowe Price Tax-Free High Yield	MU
PaineWebber Master Global Income	BD			T Rowe Price Tax-Free Income Fund	MU
PaineWebber Master Series Asset Alloc	ST			T Rowe Price T-F Short Intermediate	MU
PaineWebber Master Series Growth	ST			T Rowe Price US Treasury Money	MM
PaineWebber Master Series Income	BD				
PaineWebber Olympus Fund	ST				
PaineWebber RMA-Money Market	MM				
PaineWebber RMA-Tax-Free	MM				
PaineWebber RMA-US Govt	MM				
PaineWebber Tax-Exempt Income	MU				
Pallas Financial Corporation One Burton Hills Boulevard Suite 355 Nashville, TN 37215 (615) 665-1700* (local) (800) 251-1970 (out of state) Exchange privilege: Yes					
Monitrend Value Fund	ST				

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Distributor	Type of fund
Primary Trend Fund First Financial Centre-4th Floor 700 North Water Street Milwaukee, WI 53202 (414) 271-7870 (local) (800) 443-6544 (out of state) Exchange privilege: No	
Primary Trend Fund	ST
Princor Financial Services Corp 711 High Street Des Moines, IA 50309 (515) 247-5711 (local) Exchange privilege: Yes	
Princor Capital Accumulation Fund	ST
Princor Government Securities Income	BD
Princor Growth Fund	ST
Princor Tax-Exempt Bond Fund	MU
Prudential-Bache One Seaport Plaza Mutual Funds-25th Floor New York, NY 10292 (212) 214-1234 (local) (800) 872-7787 (out of state) Exchange privilege: Yes	
Prudential-Bache California Municipal	MU
Prudential-Bache Equity Fund	ST
Prudential-Bache Equity Income	BD
Prudential-Bache Global Fund	ST
Prudential-Bache GNMA Fund	BD
Prudential-Bache Government Plus	BD
Prudential-Bache Government Plus II	BD
Prudential-Bache Govt Secs-Inter Term	BD
Prudential-Bache Govt Secs-MM	MM
Prudential-Bache Growth Opportunity	ST
Prudential-Bache High Yield Fund	BD
Prudential-Bache Incom Vertible	ST
Prudential-Bache Moneyfarm Assets	MM
Prudential-Bache Muni-Arizona	MU
Prudential-Bache Muni-Georgia	MU
Prudential-Bache Muni-Maryland	MU
Prudential-Bache Muni-Massachusetts	MU
Prudential-Bache Muni-Michigan	MU
Prudential-Bache Muni-Minnesota	MU
Prudential-Bache Muni-New York	MU
Prudential-Bache Muni-New York MM	MM
Prudential-Bache Muni-N Carolina	MU
Prudential-Bache Muni-Ohio	MU
Prudential-Bache Muni-Oregon	MU
Prudential-Bache Muni-Pennsylvania	MU
Prudential-Bache National Municipals	MU
Prudential-Bache Option Growth	ST
Prudential-Bache Research Fund	ST
Prudential-Bache Tax-Free Money	MM
Prudential-Bache Utility Fund	ST

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Putnam Financial Services One Post Office Square Boston, MA 02109 (617) 292-1000* (local) (800) 225-1581 (out of state) Exchange privilege: Yes		Reich & Tang 100 Park Avenue 28th Floor New York, NY 10017 (212) 370-1240* (local) (800) 221-3079 (out of state) Exchange privilege: Yes		Rushmore Group 4922 Fairmont Avenue Bethesda, MD 20814 (301) 657-1500 (local) (800) 343-3355 (out of state) Exchange privilege: Yes	
Depositors Inv-Capital Growth	ST	California Daily Tax Free Income	MM	Fund for Govt Investors	MM
Depositors Inv-Current Income	BD	Connecticut Daily Tax Free Income	MM	Fund for T-F Investors-Intermediate	MU
Depositors Inv-Govt Secs	BD	Daily Dollar Reserves	MM	Fund for T-F Investors-Long Term	MU
Depositors Inv-OTC Emerging Growth	ST	Daily Income Fund	MM	Rushmore-Ginnie Mae	BD
Putnam California Tax Exempt Income	MU	Daily Tax Free Income Fund	MM	Rushmore-Stock Market Index Plus	ST
Putnam Capital Fund	ST	Empire Tax Free Money Market	MM		
Putnam Convertible Income-Growth	ST	Gabelli Asset Fund	ST	Safeco Securities	
Putnam Daily Dividend Trust	MM	GNMA Income Trust	BD	Safeco Plaza	
Putnam Energy-Resources Trust	ST	Reich & Tang Equity Fund	ST	T-15	
Putnam Fund for Growth & Income	ST	Short Term Income Fund-Government	MM	Seattle, WA 98185	
George Putnam Fund of Boston	BA	Short Term Income Fund-MM	MM	(800) 562-6810 (local)	
Putnam GNMA Plus Trust	BD	Sound Shore Fund	ST	(800) 426-6730 (out of state)	
Putnam Health Sciences Trust	ST	Warburg International Fund	ST	Exchange privilege: Yes	
Putnam High Income Government	BD			Safeco California Tax Free Income	MU
Putnam High Yield Trust	BD	Resrv Partners		Safeco Equity Fund	ST
Putnam High Yield Trust II	BD	810 Seventh Avenue		Safeco Growth Fund	ST
Putnam Income Fund	BD	35th Floor		Safeco Income Fund	ST
Putnam Information Sciences Trust	ST	New York, NY 10019		Safeco Money Market Mutual Fund	MM
Putnam International Equities Fund	ST	(212) 977-9880* (local)		Safeco Municipal Bond Fund	MU
Putnam Investors Fund	ST	(800) 223-5547 (out of state)		Safeco US Government Securities	BD
Putnam Massachusetts T-E Income	MU	Exchange privilege: Yes			
Putnam Michigan Tax Exempt Income	MU	Reserve Equity-Contrarian	ST	SBSF Fund	
Putnam Minnesota Tax Exempt Income	MU	Reserve Fund-Government	MM	10 Rockefeller Plaza	
Putnam New York Tax Exempt Income	MU	Reserve Fund-Primary	MM	New York, NY 10020	
Putnam Ohio Tax Exempt Income	MU	Reserve New York Tax-Exempt-NY	MM	(212) 903-1200* (local)	
Putnam Option Income Trust	ST	Reserve Tax-Exempt-Connecticut	MM	Exchange privilege: Yes	
Putnam Option Income Trust II	ST	Reserve Tax-Exempt-Interstate	MM	SBSF Fund	ST
Putnam OTC Emerging Growth Fund	ST				
Putnam Tax Exempt Income Fund	MU	Review Management Corp		Shield Securities	
Putnam Tax-Free Income-High Yield	MU	510 Pennsylvania Avenue		390 Union Blvd	
Putnam Tax-Free Income-Insured	MU	Suite 325		Suite 410	
Putnam US Govt Guaranteed Securities	BD	Fort Washington, PA 19034-1537		Denver, CO 80228	
Putnam Vista Basic Value	ST	(215) 643-2510* (local)		(800) 233-4971 (local)	
Putnam Voyager Fund	ST	(800) 523-2578 (out of state)		(800) 826-8154 (out of state)	
		Exchange privilege: No		Exchange privilege: No	
Quest Distributors		Over-the-Counter Securities Fund	ST	Shield Portfolios Aggressive Growth	ST
1414 Avenue of the Americas				Shield Portfolios Value	ST
New York, NY 10019		Rochester Fund Distributors			
(212) 355-7311* (local)		379 Park Avenue		Scudder Fund Distributors	
(800) 433-1998 (out of state)		Rochester, NY 14607		160 Federal Street	
Exchange privilege: Yes		(716) 442-5500* (local)		2nd Floor	
Royce Fund-Equity Income	BA	Exchange privilege: Yes		Boston, MA 02110	
Royce Fund-High Yield	BD	Rochester Tax Managed Fund	ST	(617) 439-4640* (local)	
Royce Fund-Value	ST			(800) 225-2470 (out of state)	
		LF Rothschild, Unterberg, Towbin		Exchange privilege: Yes	
Rea-Graham Fund		55 Water Street		Scudder California Tax Free Fund	MU
10966 Chalon Road		New York, NY 10041		Scudder Capital Growth Fund	ST
Los Angeles, CA 90077		(212) 412-1000* (local)		Scudder Cash Investment Trust	MM
(213) 471-1917* (local)		(800) 537-8887 (out of state)		Scudder Development Fund	ST
(800) 221-2990 (out of state)		Exchange privilege: Yes		Scudder Global Fund	ST
Exchange privilege: No				Scudder Government Money Fund	MM
Rea-Graham Fund	BA	LF Rothschild Earnings & Liquidity	MM	Scudder Government Mortgage Secs	BD
		LF Rothschild Exempt Fund	MM	Scudder Growth & Income Fund	ST
		LF Rothschild Investment Grade Inc	BD	Scudder Income Fund	BD
		LF Rothschild Rising Dividends	ST	Scudder International Fund	ST
				Scudder Managed Municipal Bonds	MU
		Ruane, Cunniff & Co		Scudder New York Tax Free Fund	MU
		1370 Avenue of the Americas		Scudder Target Fund-General 1990	BD
		New York, NY 10019		Scudder Target Fund-General 1994	BD
		(212) 245-4500 (local)		Scudder Target-Government 1990	BD
		Exchange privilege: No		Scudder Tax-Free Money Fund	MM
		Sequoia Fund	ST	Scudder Tax-Free Target-1987	MU
				Scudder Tax-Free Target-1990	MU
				Scudder Tax-Free Target-1993	MU
				Scudder Tax Free Target-1996	MU

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Distributor	Type of fund
Securities Fund Investors PO Box 33030 St Petersburg, FL 33733-8030 (813) 823-8712 (local) (800) 237-0738 (out of state) Exchange privilege: Yes	
Templeton Foreign Fund	ST
Templeton Global I	ST
Templeton Global II	ST
Templeton Growth Fund	ST
Templeton Income Fund	BA
Templeton World Fund	ST
Securities Management & Research Two Moody Plaza Galveston, TX 77550 (409) 763-2767 (local) (800) 231-4639 (out of state) Exchange privilege: Yes	
American National Bond Fund	BD
American National Growth Fund	ST
American National Income Fund	ST
Security Distributors 700 Harrison Street Topeka, KS 66636 (800) 255-2461 (nationwide) Exchange privilege: Yes	
Security Action Fund	ST
Security Equity Fund	ST
Security Income-Corporate Bond	BD
Security Income-High Yield	BD
Security Investment Fund	ST
Security Omni Fund	ST
Security Tax-Exempt Fund	MU
Security Ultra Fund	ST
Seligman Marketing One Bankers Trust Plaza New York, NY 10006 (800) 522-6869 (local) (800) 221-2450 (out of state) Exchange privilege: Yes	
Seligman Calif T-E-High Yield	MU
Seligman Calif T-E-Quality	MU
Seligman Capital Fund	ST
Seligman Cash Management-Govt	MM
Seligman Cash Management-Prime	MM
Seligman Common Stock Fund	ST
Seligman Communications & Info	ST
Seligman Growth Fund	ST
Seligman High Inc-High Yield Bond	BD
Seligman High Inc-Secured Mortgage	BD
Seligman High Inc-US Govt Guaranteed	BD
Seligman Income Fund	BA
Seligman Penn Tax-Exempt-High Yield	MU
Seligman Penn Tax-Exempt-Quality	MU
Seligman Tax-Exempt-Colorado	MU
Seligman Tax-Exempt-Florida	MU
Seligman Tax-Exempt-Louisiana	MU
Seligman Tax-Exempt-Maryland	MU
Seligman Tax-Exempt-Massachusetts	MU
Seligman Tax-Exempt-Michigan	MU
Seligman Tax-Exempt-Minnesota	MU
Seligman Tax-Exempt-Missouri	MU
Seligman Tax-Exempt-National	MU
Seligman Tax-Exempt-New York	MU
Seligman Tax-Exempt-Ohio	MU
Seligman Tax-Exempt-Oregon	MU

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Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
Sentry Equity Services 1800 North Point Drive E3/52 Stevens Point, WI 54481 (800) 472-0280 (local) (800) 826-0266 (out of state) Exchange privilege: No		Sigma Investor Services 3801 Kennett Pike Greenville Center C-200 Wilmington, DE 19807 (302) 652-3091* (local) (800) 441-9490 (out of state) Exchange privilege: Yes		State Bond Sales Corp Investment Department 100-106 North Minnesota Street New Ulm, MN 56073 (507) 354-2144* (local) (800) 328-4735 (out of state) Exchange privilege: Yes	
Sentry Fund	ST	ISI Growth Fund	ST	State Bond Common Stock Fund	ST
Shearson Lehman Brothers American Express Tower World Financial Center New York, NY 10285 (212) 321-7155 (local) Exchange privilege: Yes		ISI Income Fund	BD	State Bond Diversified Fund	ST
Shearson Aggressive Growth Fund	ST	ISI Trust Fund	ST	State Bond Progress Fund	ST
Shearson Appreciation Fund	ST	Sigma Capital Shares	ST	State Bond Tax Exempt Fund	MU
Shearson California Daily Tax-Free	MM	Sigma Income Shares	BD	State Bond US Government Securities	BD
Shearson California Municipals	MU	Sigma Investment Shares	ST		
Shearson Daily Dividend	MM	Sigma Special Fund	ST	State Street Research & Management One Financial Center Boston, MA 02111 (617) 482-3920* (local) Exchange privilege: No	
Shearson Daily Tax-Free Dividend	MM	Sigma Tax-Free Bond Fund	MU		
Shearson FMA Cash Fund	MM	Sigma Trust Shares	BA	State Street Investment Corp	ST
Shearson FMA Government Fund	MM	Sigma Venture Shares	ST		
Shearson FMA Municipal Fund	MM	Sigma World Fund	ST	Steadman Security Corp 1730 K Street NW Suite 904 Washington, DC 20006 (202) 223-1000 (local) (800) 424-8570 (out of state) Exchange privilege: Yes	
Shearson Fundamental Value Fund	ST			Steadman American Industry Fund	ST
Shearson Global Opportunities	ST	Sit Investment Associates 1714 First Bank Place West Minneapolis, MN 55402 (612) 332-3223 (local) Exchange privilege: Yes		Steadman Associated Fund	ST
Shearson Government & Agencies	MM	New Beginning Growth Fund	ST	Steadman Investment Fund	ST
Shearson High Yield Fund	BD	New Beginning Income & Growth Fund	ST	Steadman Oceanographic Tech & Gr	ST
Shearson Lehman-Convertible Secs	ST	New Beginning Yield Fund	BD		
Shearson Lehman-Equity Growth	ST			Stein Roe & Farnham PO Box 1162 Chicago, IL 60690 (312) 368-7800* (local) (800) 621-0320 (out of state) Exchange privilege: Yes	
Shearson Lehman-Equity Plus	ST	Smith Barney, Harris Upham & Co 333 West 34th Street New York, NY 10001 (212) 356-2631 (local) (800) 221-8806 (out of state) Exchange privilege: Yes		Stein Roe & Farnham Cap Opportunity	ST
Shearson Lehman-Global Bond	BD	Muni Bond Funds-California	MU	Stein Roe & Farnham Stock Fund	ST
Shearson Lehman-High Income Bond	BD	Muni Bond Funds-National	MU	SteinRoe Cash Reserves	MM
Shearson Lehman-Intermed Govt Secs	BD	Muni Bond Funds-New York	MU	SteinRoe Discovery Fund	ST
Shearson Lehman-International Equity	ST	National Liquid Reserves-Cash	MM	SteinRoe Governments Plus	BD
Shearson Lehman-Long Term Govt	BD	National Liquid Reserves-Government	MM	SteinRoe High-Yield Bonds	BD
Shearson Lehman-Mortgage Securities	BD	National Liquid Reserves-Retirement	MM	SteinRoe High Yield Municipals	MU
Shearson Lehman-Option Income	ST	Smith Barney Equity Fund	ST	SteinRoe Intermediate Municipals	MU
Shearson Lehman-Prec Metals & Mins	BD	Smith Barney-Income & Growth	ST	SteinRoe Managed Bonds	BD
Shearson Lehman-Strategic Investment	ST	Smith Barney-Income Return	BD	SteinRoe Managed Municipals	MU
Shearson Lehman-Tax Exempt Income	MU	Smith Barney-Monthly Payment Govt	BD	SteinRoe Prime Equities	ST
Shearson Managed Governments	BD	Smith Barney-US Government	BD	SteinRoe Special Fund	ST
Shearson Managed Municipals	MU	Tax-Free Money Fund	MM	SteinRoe Tax-Exempt Money Fund	MM
Shearson New York Daily Tax-Free	MM	Vantage Money Market-Cash	MM	SteinRoe Total Return Fund	BA
Shearson New York Municipals	MU	Vantage Money Market-Government	MM	SteinRoe Universe Fund	ST
Sherman, Dean Fund 6061 NW Expressway Suite 465 San Antonio, TX 78201 (512) 735-7700* (local) (800) 247-6375 (out of state) Exchange privilege: No		Sogen Securities Corp 520 Madison Avenue New York, NY 10022 (212) 832-0022 (local) Exchange privilege: No		Strategic Distributors 2030 Royal Lane Dallas, TX 75229 (214) 484-1326* (local) (800) 527-5027 (out of state) Exchange privilege: Yes	
Sherman, Dean Fund	ST	SoGen International Fund	ST	Strategic Capital Gains	ST
Sierra Growth Fund 1880 Century Park East Suite 717 Los Angeles, CA 90067 (213) 277-1450 (local) Exchange privilege: No		Sovereign Advisers 985 Old Eagle School Road Suite 515a Wayne, PA 19087 (215) 254-0703 (local) Exchange privilege: No		Strategic Investments Fund	ST
Sierra Growth Fund	ST	Sovereign Investors	ST	Strategic Silver Fund	ST

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Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
Stratton Management Plymouth Meeting Executive Campus 610 West Germantown Pike Plymouth Meeting, PA 19462 (215) 941-0255* (local) (800) 634-5726 (out of state) Exchange privileges: Yes		Transamerica Investment Services PO Box 2438 Los Angeles, CA 90051 (213) 742-2222* (local) (800) 343-6840 (out of state) Exchange privilege: No		United Services Advisors PO Box 29467 San Antonio, TX 78229-0467 (512) 696-1234 (local) (800) 824-4653 (out of state) Exchange privilege: Yes	
Stratton Growth Fund	ST	Transamerica Cash Reserve	MM	United Services-Gold Shares Fund	ST
Stratton Monthly Dividend Shares	ST	Truist Funds One Winthrop Square Boston, MA 02110 (800) 462-1199 (local) (800) 343-2902 (out of state) Exchange privilege: Yes		United Services-Good & Bad Times	ST
Strong/Corneliusson Cap Management 815 East Mason Street Suite 1610 Milwaukee, WI 53202 (414) 765-0620* (local) (800) 368-3863 (out of state) Exchange privilege: Yes		Commonwealth Indenture A & B	ST	United Services-Growth Fund	ST
Strong Government Securities Fund	BD	Commonwealth Indenture C	ST	United Services-New Prospector	ST
Strong Income Fund	BD	GPM Fund	BA	United Services-Prospector Fund	ST
Strong Investment Fund	BA	Tucker Anthony & RL Day One Beacon Street Boston, MA 02108 (800) 392-6037 (local) (800) 225-6258 (out of state) Exchange privilege: Yes		United Services-Tax Free Fund	MU
Strong Money Market Fund	MM	Freedom Equity Value Fund	ST	United Services-US Treasury Secs	MM
Strong Opportunity Fund	ST	Freedom Investment-Gold & Govt	ST	US Boston Investment 6 New England Executive Park Burlington, MA 01803 (617) 272-6420 (local) Exchange privilege: Yes	
Strong Tax-Free Income Fund	MU	Freedom Investment-Government Plus	BD	US Boston Investment-Boston I	ST
Strong Total Return Fund	BA	Freedom Investment-II-Global Fund	ST	US Boston Investment-International	ST
Tenneco Asset Planning Co 1100 Milam Suite 3500 Houston, TX 77002 (713) 757-2222 (local) (800) 262-6686 (out of state) Exchange privilege: Yes		Freedom Investment-II-Global Inc Plus	BD	USAA Transfer Services USAA Building San Antonio, TX 78288 (512) 498-7290 (local) (800) 531-8000 (out of state) Exchange privilege: Yes	
Cashman Farrell Value Fund	ST	Freedom Investment-Managed T-E	MU	USAA Investment Trust-Cornerstone	ST
Fund of the Southwest	ST	Freedom Investment-Regional Bank	ST	USAA Investment Trust-Gold Fund	ST
Investors Income Fund	BD	Tocqueville Fund	ST	USAA Mutual-Growth Fund	ST
PBHG Growth Fund	ST	Tucker Anthony Cash Management	MM	USAA Mutual-Income Fund	BD
US Trend Fund	ST	Tucker Anthony Govt Securities	MM	USAA Mutual-Income Stock Fund	ST
Thomson McKinnon Asset Management One New York Plaza New York, NY 10004 (212) 482-5894 (local) (800) 628-1237 (out of state) Exchange privilege: Yes		Tucker Anthony Tax-Exempt Money	MM	USAA Mutual-Money Market	MM
Cash Accumulation-National Govt	MM	Twentieth Century Investors 605 West 47th Street Kansas City, MO 64112 (816) 531-5575 (local) (800) 345-2021 (out of state) Exchange privilege: Yes		USAA Mutual-Sunbelt Era Fund	ST
Cash Accumulation-National MM	MM	20th Century Cash Reserve	MM	USAA Tax Exempt-High Yield	MU
Cash Accumulation-National T-E	MM	20th Century Gifttrust Investors	ST	USAA Tax Exempt-Intermediate Term	MU
Thomson McKinnon Invest-Global	ST	20th Century Growth Investors	ST	USAA Tax Exempt-Money Market	MM
Thomson McKinnon Invest-Growth	ST	20th Century Long-Term Bond	BD	USAA Tax Exempt-Short Term	MU
Thomson McKinnon Invest-Income	BD	20th Century Select Investors	ST	Valley Forge Fund PO Box 262 Valley Forge, PA 19481 (215) 688-6839 (local) Exchange privilege: No	
Thomson McKinnon Invest-Opportun	ST	20th Century Tax-Exempt Intermediate	BD	Valley Forge Fund	ST
Thomson McKinnon Invest-Tax Ex	MU	20th Century Tax-Exempt Long Term	BD	Value Line Securities 711 Third Avenue New York, NY 10017 (800) 223-0818 (local) (800) 223-0818 (out of state) Exchange privilege: Yes	
Thomson McKinnon Invest-US Govt	BD	20th Century Ultra Investors	ST	Value Line Aggressive Income Trust	BD
Thornburg Management 123 East Marcy Street Suite 202 Santa Fe, NM 87501 (505) 984-0200* (local) (800) 847-0200 (out of state) Exchange privilege: Yes		20th Century US Govt Investors	BD	Value Line Cash Fund	MM
Limited Term Municipal-California	MU	20th Century Vista Investors	ST	Value Line Convertible Fund	ST
Limited Term Municipal-National	MU	Unified Management Corp 429 North Pennsylvania Street Indianapolis, IN 46204-1897 (317) 634-3300 (local) (800) 862-7283 (out of state) Exchange privilege: Yes		Value Line Fund	ST
		Liquid Green Trust	MM	Value Line Income Fund	ST
		Unified Growth Fund	ST	Value Line Leveraged Growth Inv	ST
		Unified Income Fund	BA	Value Line Special Situations Fund	ST
		Unified Municipal Fund-General	MU	Value Line Tax Exempt-High-Yield	MU
		Unified Municipal Fund-Indiana	MU	Value Line Tax Exempt-Money Market	MM
		Unified Mutual Shares Fund	ST	Value Line US Government Securities	BD

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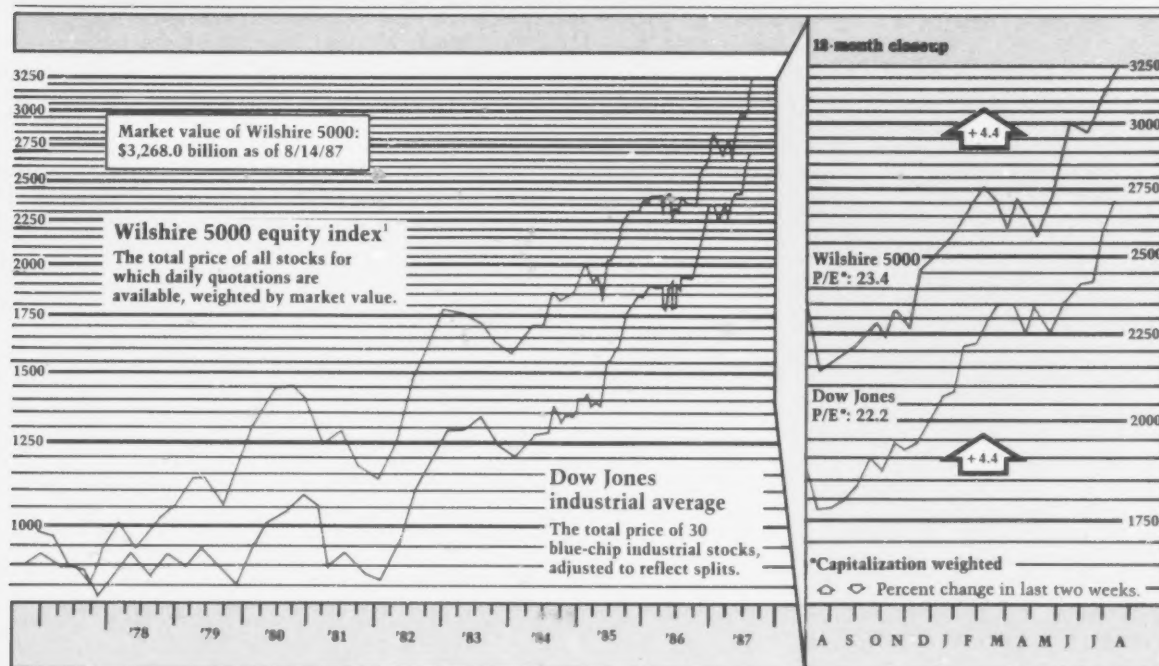
Fund Distributors

Distributor	Type of fund	Distributor	Type of fund	Distributor	Type of fund
Van Eck Securities Corp 122 East 42nd Street 42nd Floor New York, NY 10168 (212) 687-5200 (local) (800) 221-2220 (out of state) Exchange privilege: Yes		Variable Stock Fund One Financial Plaza Springfield, MA 01102-9002 (413) 784-6857 (local) Exchange privilege: No		Wall Street Management Corp 641 Lexington Avenue 21st Floor New York, NY 10022 (212) 319-9400* (local) (800) 972-9274 (out of state) Exchange privilege: No	
Van Eck Gold/Resources Fund	ST	Variable Stock Fund	ST	Wall Street Fund	ST
Van Eck International Investors	ST	Venture Advisers PO Box 1688 Santa Fe, NM 87504-1688 (505) 983-4335 (local) (800) 545-2098 (out of state) Exchange privilege: Yes		Warburg Pincus Counsellors 466 Lexington Avenue New York, NY 10017-3147 (212) 878-0600 (local) (800) 972-9274 (out of state) Exchange privilege: Yes	
Van Eck World Trends Fund	BA	New York Venture Fund	ST	Counsellors Cash Reserve Fund	MM
Van Kampen Merritt 1001 Warrenville Road Lisle, IL 60532 (312) 719-6000 (local) (800) 225-2222 (out of state) Exchange privilege: Yes		RPF of America-Bond Fund	BD	Counsellors New York Municipal Bond	MU
Van Kampen Merritt Cal Insured T-F	MU	RPF of America-Equity Fund	ST	Counsellors New York Tax Exempt	MM
Van Kampen Merritt Growth & Income	ST	Venture Income (+) Plus	BD	Washington Fund Distributors 1101 Vermont Avenue, NW Washington, DC 20005 (202) 842-5320* (local) (800) 972-9274 (out of state) Exchange privilege: No	
Van Kampen Merritt High Yield Fund	BD	Venture Muni (+) Plus	MU	Growth Fund of Washington	ST
Van Kampen Merritt Insured Tax Free	MU	Voyager Asset Management 100 South 5th Street Suite 2300 Minneapolis, MN 55402 (800) 247-1576 (local) (800) 328-4085 (out of state) Exchange privilege: Yes		Weiss, Peck & Greer One New York Plaza New York, NY 10004 (212) 908-9582 (local) (800) 223-3332 (out of state) Exchange privilege: Yes	
Van Kampen Merritt T-F High Income	MU	Double Exempt Capital Conservation	MU	Tudor Fund	ST
Van Kampen Merritt US Government	BD	Double Exempt Flex Fund	MU	WPG Fund	ST
Vanguard Group of Investment Cos PO Box 2600 Valley Forge, PA 19482 (215) 648-6000* (local) (800) 662-7447 (out of state) Exchange privilege: Yes		Waddell & Reed 2400 Pershing Road PO Box 418343 Kansas City, MO 64141-9343 (816) 283-4000 (local) (800) 892-5811 (out of state) Exchange privilege: Yes		WPG Government Securities Fund	BD
Vanguard Bond Market Fund	BD	United Accumulative Fund	ST	WPG Growth Fund	ST
Vanguard California Insured Long-Term	MU	United Bond Fund	BD	Wheat First Securities PO Box 1357 Richmond, VA 23211 (804) 649-2311* (local) (800) 233-9719 (out of state) Exchange privilege: No	
Vanguard Convertible Securities	BD	United Cash Management	MM	Southeastern Growth Fund	ST
Vanguard Explorer Fund	ST	United Continental Income Fund	BA	Working Assets Money Fund 230 California Street San Francisco, CA 94111 (415) 989-3200* (local) (800) 543-8800 (out of state) Exchange privilege: No	
Vanguard Explorer II	ST	United Gold & Government Fund	BA	Working Assets Money Fund	MM
Vanguard Fixed Income-GNMA	BD	United Government Securities	BD	BC Ziegler & Co 215 North Main Street West Bend, WI 53095 (414) 334-5521* (local) (800) 558-1776 (out of state) Exchange privilege: Yes	
Vanguard Fixed Income-High Yield	BD	United High Income Fund	BD	Principal Preservation-Div Achievers	ST
Vanguard Fixed Income-Invest Grade	BD	United High Income Fund II	BD	Principal Preservation-Govt Plus	BD
Vanguard Fixed Income-Short Term	BD	United Income Fund	ST	Principal Preservation-Hedged T-E	MU
Vanguard Fixed Income-US Treasury	BD	United International Growth	ST	Principal Preservation-Insured T-E Plus	MU
Vanguard Index Trust	ST	United Municipal Bond Fund	MU	Principal Preservation-S&P 100 Plus	ST
Vanguard MM Reserves-Federal	MM	United Municipal High Income	MU		
Vanguard MM Reserves-Insured	MM	United New Concepts Fund	ST		
Vanguard MM Reserves-Prime	MM	United Retirement Shares	BA		
Vanguard WL Morgan Growth Fund	ST	United Science & Energy Fund	ST		
Vanguard Muni Bond-High Yield	MU	United Vanguard Fund	ST		
Vanguard Muni Bond-Ins Long Term	MU				
Vanguard Muni Bond-Intermediate	MU				
Vanguard Muni Bond-Long-Term	MU				
Vanguard Muni Bond-Money Market	MM				
Vanguard Muni Bond-Short-Term	MU				
Vanguard Naess & Thomas Special	ST				
Vanguard New York Insured T-F	ST				
Vanguard Pennsylvania Insured T-F	MU				
Vanguard PrimeCap Fund	ST				
Vanguard Qualified Dividend I	ST				
Vanguard Qualified Dividend II	BD				
Vanguard Qualified Dividend III	BD				
Vanguard Quantitative Portfolios	ST				
Vanguard Specialized-Energy	ST				
Vanguard Specialized-Gold & Prec Met	ST				
Vanguard Specialized-Health Care	ST				
Vanguard Specialized-Service Economy	ST				
Vanguard Specialized-Technology	ST				
Vanguard Star Fund	BA				
Vanguard Trustees' Commingled-Intl	ST				
Vanguard Trustees' Commingled-US	ST				
Vanguard Wellesley Income Fund	BA				
Vanguard Wellington Fund	BA				
Vanguard Windsor Fund	ST				
Vanguard Windsor II	ST				
Vanguard World-International Growth	ST				
Vanguard World-US Growth	ST				

*Will accept collect calls

The Forbes/Wilshire 5000 Review

Edited by Steve Kichen



In reaching yet another century mark—crossing 2700 in the past two weeks—the market pushed its price-to-earnings multiple, based on latest 12-month earnings, to 22.2. Has the P/E ever been higher? Yes, in the 1930s deficits for some of the companies put the combined earnings figure near zero and pushed the Dow multiple to abnormal levels. A similar phenomenon put the Dow P/E above 100 in 1982.

Excluding years with such aberrations, the highest P/E

for the Dow stocks in the postwar era was 24.2, hit in the second quarter of 1961. With hindsight, that ratio doesn't seem too high: Corporate earnings climbed smartly in the 1960s expansion.

And now? The Forbes Sales 500 have an average P/E against trailing earnings of 22.2. Despite recent upgrades in analysts' earnings projections, this group sells at 17.1 times estimated 1987 earnings. One month ago the Forbes Sales 500 sold at 15.5 times estimated earnings.

Closeup On the Equity Markets

Performance of six leading indexes

Percent change	Wilshire 5000	Forbes 500 ²	Dow Jones industrials	NYSE Composite	Amex Market Value Index	NASDAQ Composite
in last 4 weeks	5.6	6.8	7.0	5.7	2.9	4.0
in last 52 weeks	29.8	31.3	44.7	31.3	34.0	18.8

Stock performance based on six key investor yardsticks

Percent change	Company size		Volatility ³		P/E multiple		Dividend yield		Growth profile ⁴		Share price	
	large	small	high	low	over 25	under 5	over 7.5%	none	high	low	over \$40	under \$4
in last 4 weeks	6.2	0.5	1.2	2.8	2.7	2.6	2.9	2.6	2.2	3.4	5.1	0.4
in last 52 weeks	31.4	47.8	70.3	23.0	28.5	17.0	11.4	2.9	67.1	19.8	26.1	39.1

¹Wilshire index reflects price performance. It differs slightly from market value of outstanding stocks because of retirements of equity since index was created. ²Based on sales.

³A stock's sensitivity to overall market movement. High-volatility issues have wide price fluctuations, low-volatility issues are more stable. ⁴A quantitative evaluation of a stock's growth image, determined by Wilshire Associates.

Note: All data for periods ending 8/14/87. Prepared by Wilshire Associates, Santa Monica, Calif.

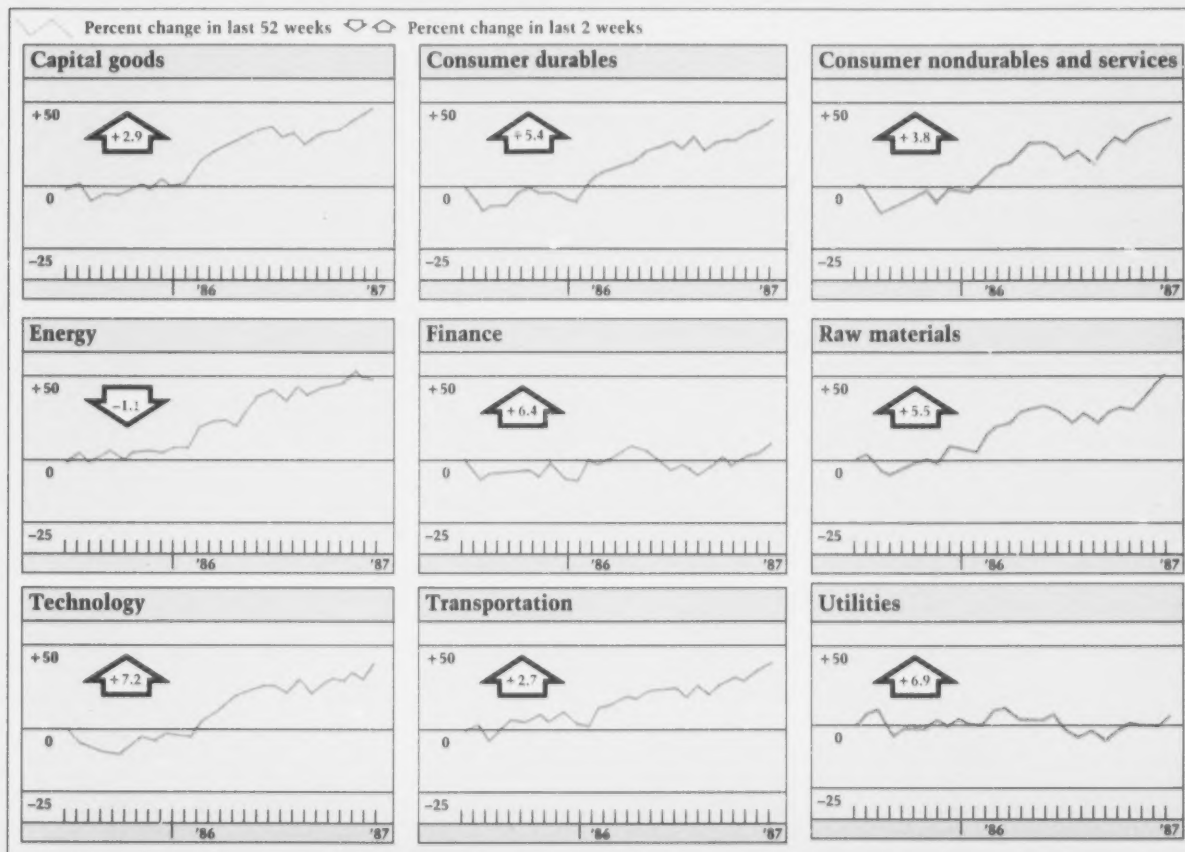
Gus French

Where the Action Is

Technology stocks shone in the market rally with a 7.2% two-week gain. Leading the way was Autodesk, a California-based manufacturer of computer-aided design and drafting software. The firm produced second-quarter earnings higher than some Street forecasts. Amdahl and two of the leading microcomputer firms, Apple and Compaq, all posted hefty gains. Teradyne, a manufacturer of automa-

tic test equipment, rose 17%.

Utilities reversed a weakening trend with a 6.9% two-week advance. Kansas City Power & Light rose 15.6%, and Utah Power & Light, which agreed to merge with PacifiCorp, rose 13%. Only energy shares, which declined 1.1%, lost ground. This sector was hurt by profit taking, especially among oilfield service stocks.



What the Analysts Think

A weak dollar is helping Detroit at Japan's expense. In the last four weeks security analysts increased their 1987 earnings estimates by 5.9% for Chrysler and 4.7% for

Ford. Meanwhile, the projection for Subaru was cut 21%, and the estimate for Honda was cut 4.3%. Overall, 1987 earnings estimates for consumer durables were up 2.5%.

Forecasting the Forbes Sales 500			Rank based on change in estimate		Sector		Estimated 1987 EPS P/E		% change in 1987 estimate in 2 weeks in 4 weeks	
Performance period	Average earnings per share	P/E								
latest 12 months	\$2.30	22.2	1		Consumer durables		\$4.10	13.2	2.52%	3.04%
1987 estimates	2.99	17.1	2		Consumer nondurables		2.31	19.5	0.15	-0.11
1988 estimates	3.85	13.3	3		Utilities		2.61	11.3	0.12	-0.07
			4		Technology		2.41	19.2	0.05	-0.64
			5		Capital goods		2.16	21.8	0.05	0.49
			6		Raw materials		2.27	18.7	-0.15	0.31
			7		Energy		2.56	19.3	-0.45	-1.11
			8		Transportation		2.23	17.5	-1.20	-1.58
			9		Finance		1.92	18.4	-11.03	-24.38

Earnings projections are capitalization-weighted consensus estimates from over 2,000 security analysts. Data are compiled and updated continually by the Institutional Brokers Estimate System (IBES), a service of Lynch, Jones & Ryan, a New York-based brokerage firm.

Note: All data for periods ending 8/14/87. Prepared by Wilshire Associates, Santa Monica, Calif., IBES, a service of Lynch, Jones & Ryan, New York.

Commodities

MONEY & INVESTMENTS

How do you measure the performance of a trading adviser? A new ratio catches two important dimensions.

TRADING BY PROXY

By Stanley W. Angrist



Given the dismal results so many individual commodity speculators show, it's no wonder that an increasing number of traders are turning to commodity trading advisers (CTAs) to handle their speculative activities. How do you judge a CTA's performance? No simple matter—no measure is perfect—but Deane Jones, president of Jones Commodities, Inc., has developed a new measure of performance that can help.

Jones, a futures trading manager based in Reno, Nev., calls his measure the Sterling ratio. The numerator in the Sterling ratio is a manager's annual average rate of return over the most recent three years. The denominator is the average of the manager's largest annual drawdown over the same time period plus an additional, arbitrary 10%. That addition is to cover the probability that if the drawdown was computed on a daily basis, rather than the monthly number he must use, the drawdown would be higher.

In effect, then, the Sterling ratio computes the potential risk you run in order to achieve a given rate of return. The use of three years'

Stanley W. Angrist is a commodity speculator, consultant and longtime observer of the commodity markets.

worth of data is arbitrary, of course. One can compute the ratio for any length of time. But I think any record covering less than 18 months is all but worthless. Advisers should be evaluated after they have traded through at least a couple of market cycles. For his purposes, Jones defines the maximum annual drawdown (MAD) as the worst percentage drop in equity occurring in an investment from the end of one month to the end of any subsequent month during a calendar year. The Sterling ratio is not perfect, but I think it's an improvement over other widely used indexes.

Using data from *Managed Account Reports*, a semimonthly publication (301-730-5365), Jones calculated ra-

tios for 51 trading managers over the three years 1984 through 1986. He also calculated the ratio for 13 others with shorter records. Some of the better CTAs are listed below.

Jones found that only a handful of CTAs had ratios of 2 or higher. That means their annual average rate of return was more than twice the size of the adjusted average maximum drawdown. Another 12 advisers had ratios between 1.00 and 1.99. Twenty-three had ratios of 0.5 or less, which means their average annual rate of return was less than half the adjusted maximum drawdown. Any CTA who can generate a ratio exceeding 1 seems to me to deserve serious consideration. Additional details on these advisers and others are available from *Managed Account Reports*.

There now exist professional matchmakers called introducing brokers. These IBs try to match the investment goals of speculators with trading managers who can do a good job for them. They don't make trading decisions. They usually just take a piece of the commissions generated by advisers. Two IBs who have come to my attention are Richard Luna and Gary Halbert. Luna (800-227-7341) and Halbert (800-348-3601) publish monthly letters on adviser performance. Both Luna and Halbert can direct speculators to advisers who will take on relatively small accounts—in some cases as low as \$10,000. ■

Sterling performances

Here are some of the better-performing trading advisers, as measured by the Sterling ratio (see story for how the ratio works). Because some advisers with less than three-year records are worth considering, I have also shown the results for several CTAs (starred) with at least 18-month records and at least \$1 million under management. All calculations as of Dec. 31, 1986.

Trading adviser	Amount managed (\$mil)	—3-year average %— return	"MAD" + 10%	Sterling ratio
Tudor Investment	\$84.9	255.1%	29.1%	8.77
Visioneering R&D*	2.0	72.5	27.1	2.68
AZF Com Mgmt	4.6	40.5	18.3	2.21
Investment Timing	11.7	56.5	26.6	2.12
Neims-Stoken Prtnsh	11.4	69.9	35.3	1.98
ELM Financial*	11.7	71.5	36.2	1.98
Kordell Financial*	3.4	66.9	36.3	1.84
Mint Inv Mgmt Co	90.8	34.7	21.8	1.59
Dow Jones average		15.6	19.5	.80
T bills		7.9	10.0	.79
Gold		3.3	30.0	.11